Management Discussion and Analysis
For the Six Months Ended September 30, 2011

PRELIMINARY INFORMATION

This Management's Discussion and Analysis ("MD&A") contains information up to and including November 28, 2011.

The following MD&A of Harvest Gold Corporation (the "Company") should be read in conjunction with the unaudited consolidated financial statements for the three months ended June 30, 2011 and the related notes contained therein. In addition, the following should be read in conjunction with the audited consolidated financial statements for the year ended March 31, 2011 and the notes thereto. It should be noted that the audited consolidated financial statements for the year ended March 31, 2011 was prepared in accordance with Canadian generally accepted accounting principles ("CAD GAAP"), the reconciliation of which can be found beginning on page 26 of this MD&A.

All financial information in this MD&A related to 2011 have been prepared in accordance with International financial reporting standards ("IFRS"), and all dollar amounts are expressed in Canadian dollars unless otherwise indicated.

FORWARD-LOOKING INFORMATION

Statements in this report that are not historical facts are forward-looking statements involving known and unknown risks and uncertainties, which could cause actual results to vary considerably from these statements. Readers are cautioned not to put undue reliance on forward-looking statements. For more information on forward-looking information please refer to page 23 of this MD&A.

OVERVIEW

The Company was incorporated on June 28, 2005 under the BC Business Corporations Act and is a reporting issuer in British Columbia and Alberta. The Company's common shares are traded on the TSX Venture Exchange under the symbol "HVG".

The Company is a junior mineral exploration company engaged in the business of acquiring, exploring and evaluating natural resource properties, and either joint venturing or developing these properties further or disposing of them when the evaluation is complete. The Company is exploring and evaluating each of its five properties, the Garcia Flats Property, the Rosebud Gold Mine Property and the RW Claims in Nevada, USA and the Assean Lake Gold Property (Hunt), and the Rice Lake Claims (Cud) all in Manitoba, Canada. As at the date of this MD&A, the Company has not earned any production revenue, nor has it found any proven reserves on any of its properties and is considered to be an exploration stage company.

RESOURCE PROPERTIES - PERFORMANCE SUMMARY

Robert Cuffney is the Qualified Person responsible for the review and compilation of the technical information relating to the U.S. mineral projects and Neil Richardson, P Geo for the Canadian mineral projects disclosed in the MD&A.

ROSEBUD GOLD MINE, NEVADA

Historical Overview

On November 16, 2006, the Company signed a letter of intent to acquire the Rosebud gold mine property, Nevada, USA with Nevada Eagle Resources LLC.

The letter of intent granted the Company a due diligence period ending December 15, 2006, during which the Company had the right to enter an Option Agreement with Nevada Eagle Resources LLC. On December 13, 2006, the Company signed an Option Agreement. The property vendor was paid US$13,000 on signing of the letter of intent. The terms of the option grant provides the Company with the right to earn a 100% interest in the property by completing a schedule of property payments totaling US$320,000 over a four-year period and issuing 600,000 shares of the Company to the property vendor as follows:

Date	Amount	
On Execution of Agreement (Nov 9, 2006)	US$13,000	Paid
Upon end of due diligence (Dec 13, 2006)	US$29,600	Paid
On or before December 15, 2007	US$57,400	Paid
On or before December 15, 2008	US$60,000	Paid
On or before December 15, 2009	US$80,000	Paid
On or before December 15, 2010	US$80,000	Paid
Total	**US$320,000**	

Date	Number of shares	
Upon end of due diligence (Dec 13, 2006)	50,000	Issued
On or before December 15, 2007	100,000	Issued
On or before December 15, 2008	100,000	Issued
On or before December 15, 2009	150,000	Issued
On or before December 15, 2010	200,000	Issued
Total	**600,000**	

Upon earning a 100% interest, the Company is obligated on an annual basis to pay an advance royalty payment of US$50,000 until the property is placed into production and is to be recovered from any actual future mineral production royalty payments.

The property is subject to a net smelter royalty ("NSR") of 3%, one-half of which may be purchased for US$2.25-million.

As of the period ended September 30, 2011, the Company has incurred $1,578,548, (March 31, 2011 $1,169,127) net of stock-based compensation of $94,128, (March 31, 2010 $94,128) of expenditures on the property

Property Description

The property comprises 54 contiguous unpatented claims covering an area of approximately 1,067 acres (4.3 square kilometres) overlying the reclaimed underground Rosebud mine and surrounding area. The property was mined by Hecla Mining Company and Newmont Mining Corporation as a joint venture with reported production from 1997 to 2000 of 396,842 ounces gold and 2,309,876 ounces silver (Hecla 2000 report). This publication reports 1992 mineral resources of 570,000 ounces gold (0.362 ounce per ton) and 5.5 million ounces silver (5.5 ounces per ton). The report, however, does not provide information on the resource classifications (inferred, indicated, or measured) and readers are cautioned not to place any undue reliance on these historical estimates as they are not compliant with National Instrument 43-101, *Standards of Disclosure for Mineral Projects.*

Background

In late 2006, the Company signed an agreement to acquire a 100% interest in the property, subject to a schedule of property and advanced minimum royalty payments.

A NI 43-101 Technical report, entitled *Technical Report on the Rosebud Property, Pershing County, Nevada, USA* was completed by Robert G. Cuffney, Certified Professional Geologist, in September 2008. The Rosebud deposit produced 396,842 ounces gold and 2,309,876 ounces silver from high grade ores between 1997 and 2000. The 43-101 report describes exploration and mining activities at Rosebud from pre-discovery in 1988 until now and provides favorable evaluations of exploration targets developed by the Company. In late 2000, following closure of the Rosebud Mine, at a time when gold prices had reached US$252/oz Au, Hecla reported an historical remaining Measured and Indicated Global Resource of 6,816,021 tons grading 0.036 oz Au/t and 0.31 oz Ag/t at a 0.01 oz Au/t cut-off, containing 242,857 gold ounces and 2,129,750 silver ounces (Hecla Mining Company, 2000). This historical estimate was made prior to the implementation of NI 43-101, may not comply with current CIM standards, and is presented for purposes of historical reference only. The Company is not treating the estimate as a National Instrument 43-101 defined resource and the historical estimate should not be relied upon. The Company believes that there is very good potential to discover additional high grade zones within and adjacent to the bulk tonnage envelope and to expand the size of this envelope.

Some highlights of the report are:

- The data produced by previous operators has been verified as being valid and useful
- The Rosebud mine occurs within a large, strong, hydrothermal system
- There is good potential for the discovery of additional high grade zones and expansion of the bulk tonnage envelope

The discovery and development potential at Rosebud merits an aggressive drilling campaign. Mr. Cuffney recommends a two-phase drill program totaling 36,800 ft (11,215 m) in 32 holes. This program has several objectives: (i) to discover additional high grade mineralized zones, (ii) to increase the average grade and extend the limits of the bulk tonnage envelope, and (iii) to accurately define the gold-mineralized envelope. The combination of geologic mapping, review and evaluation of the volume of data produced by prior operators, and additional soil geochemical surveys has resulted in the definition of several new high-quality targets within the bulk tonnage envelope. The data gathering, review, and evaluation process has also strengthened our understanding of previously-defined targets.

An important outcome of the process is the recognition of a key feature of the mined body called the “chimney”. This zone graded greater than 1.0 oz Au/t and contained approximately 40% of the pre-mining resource within an area measuring approximately 130 ft (40 m) long by 220 ft (60 m) high. A lower-grade, 0.10-1.0 oz Au/t (3.4-7.2 g/t) stockwork and disseminated zone of mineralization surrounded the chimney. The Company feels that there are very good opportunities to discover additional high-grade zones and is placing high priority on discovering additional zones similar to the chimney.

Data available from the Nevada Bureau of Mines and Geology have been collected and converted from paper to digital formats. Geological, geochemical, and geophysical data sets have been scanned and/or digitized and loaded into three dimensional mine modeling software. Quality assurance and quality control procedures have been utilized to determine the quality of these data and assure the accuracy of the information being input into modeling software.

This includes data from:

- approximately 700 holes drilled from surface and underground by previous operators,

- approximately 90 working cross sections produced by the former mine operators, covering nearly the entire property at 50-100 foot spacings,

-approximately 230 maps produced by previous operators. These include geology maps, drill collars, rock chip geochemistry, soil geochemistry, grade-thickness, aero-magnetic and ground magnetic responses, gravity, IP, VLF, radiometric values and topography,

-numerous geological, geophysical, and geochemical data sets-

Numerous drill intercepts of gold and silver mineralization are present within a known mineralized envelope measuring approximately 1,800 feet (550 metres) north-south by 3,000 feet (915 metres) east-west, which suggests that the gold mineralization in the envelope around the historic resource is an asset worth pursuing aggressively.

The size potential of Rosebud as a bulk mineable open pit deposit can be inferred from historic data published by Hecla and Newmont. In 1995, Hecla reported that over 263,690 feet (greater than 80,370 metres) of drilling in approximately 310 drill holes had been completed of which approximately 250 surface drill holes exist within Harvest Gold's land position. Gold mineralization is present in drill holes at depths ranging 0 to 1200 feet (365 metres) from surface.

Detailed soil surveys have been carried out by the Company covering most of the property package. The enzyme leach method was utilized to analyze 472 soil samples collected at 100 m by 100 m spacings throughout the property and 50 m by 50 m spacings above the East and Far East zones and immediately south of the mine. Enzyme leach results from this survey show strong indications of the Rosebud Mine mineralization at depth as well as extensions of this mineralization into the Northwest Corridor and to the south of the mine. Buried mineralization in the Far East zone and at the Valley target is also indicated by strong gold responses above these zones. Additionally, a new target area, the Northeast target, is defined by Au, Ag, and other element anomalies in the northeastern part of the property. Only two drill holes have been completed, by previous operators, near the margins of this new drill target and the target has not been drill tested.

Three-dimensional geologic modeling was carried out using all available data from past drilling, geology, geophysics and geochemistry. Additional geologic and geochemical data collected by the Company are also guiding the process. This has led to substantial revisions of the working geologic models used by previous operators.

A new structural model has been developed through this work. The structural model indicates that high-grade mineral zones are developed at dilational jogs along a major through-going north-northeast left-lateral fault system. This fault system has been recognized at surface and in the subsurface through geological mapping and 3D geological modeling. Eleven high-priority targets have been identified. The targets include potential bonanza veins in basement rocks, stockwork/disseminated targets in volcanic rocks, and vein or stockwork/disseminated targets at the unconformity between basement metasediments and the overlying volcanic pile.

During the six months ended September 30, 2011

The final seventeen reverse circulation drill holes of Phase II were completed, totaling 11,520 feet (3511 m). These holes, HGR-18 through HGR-34 tested six target areas. Target types include: high grade volcanic-hosted stockwork and disseminated mineralization within the bulk tonnage halo surrounding the deposit; extensions and definition of the bulk tonnage halo; and high grade feeder veins within metamorphic basement rocks.

The Phase II drill program was completed in late May 2011 and assay results were reported in June 2011. Twenty-two reverse circulation holes were drilled in Phase II for a total of 4622 metres in six target areas, the majority testing the Valley and Southern Extension targets.

Phase II Drill Program highlights include:

South Zone

- 10.67 metres of 1.4 g Au/t, 15.1 g Ag/t
  - including 1.52 metres of 3.8 g Au/t
  - and including 1.52 metres of 60.5 g Ag/t
- Confirmation in historical, non NI 43-101 resource

Southern Extension

- Visible gold intersected; Metallic screen assays show grade increases up to 500% above standard fire assays; Additional metallic screens in progress
- Au intercepts in all Southern Extension holes
- 44.20 metres of 0.3 g Au/t in HGR-30
  - including 9.14 metres of 0.9 g Au/t
- 15.24 metres of 0.4 g Au/t in HGR-33
  - including 3.05 metres of 1.6 g Au/t

Valley target

- Au and Ag intercepts in all holes
- 9.14 metres of 0.7 g Au/t in HGR-31
- 7.62 metres of 0.3 g Au/t, 41.5 g Ag/t in HGR-22
  - including 3.05 metres of 0.6 g Au/t, 87.4 g Ag/t
    - including 1.52 metres of 1.0 g Au/t, 153.9 g Ag/t
- 7.62 metres of 0.7 g Au/t in HGR-21
  - including 1.52 metres of 1.7 g Au/t
- Mineralization begins almost at surface
- Structural controls defined in blind mineralization beneath thin cover
- 185 metre strike length; open in all directions

Untested targets remaining at Rosebud

- Dreamland, Motherland, Gold Hill, Motherlode targets untested by Harvest Gold drilling; high grade historical intercepts in Dreamland and Motherland targets; high grade Ag intercept from Phase I (35.1 metres of 238.1 g Ag/t; Aug. 5, 2010 news release) in Unconformity target remains to be followed up

Gold and silver assays from significant intercepts are summarized below.

Southern Extension Target

Drill hole HGR-30 intersected 9.14 metres of 0.9 g Au/t within a larger intercept of 44.2 metres of 0.3 g Au/t, 2.3 g Ag/t (0.4 g AuEq/t) in the Southern Extension target. Six other drill holes tested the Southern Extension and all contain significant intercepts (see table below) within quartz vein, hydrothermal breccia, and stockworks in silicified volcanic rocks. Mineralization occurs near surface, at and above the faulted contact between fine grained volcanic rocks and Dozer rhyolite, as well as within a deeper zone in Dozer rhyolite. The deeper mineralization was intersected near the ends of HGR-32 and HGR-33 and is characterized by quartz-sulfide veinlets with minor to absent wall rock alteration. The Dozer rhyolite is a very competent host rock that may be capable of hosting bonanza veins.

Phase II drilling extended mineralization by approximately 100 metres from a thick intercept in HGR-5 (114.3 meters of 0.49 g Au/t; Aug. 5, 2010 news release) drilled in Phase I. Mineralization in the upper and lower zones is open to the south, southeast, and southwest, and may connect with historical intercepts approximately 100-200 metres to the west.

Phase II Southern Extension intercepts.

	FROM metres	TO metres	INTERVAL[1] metres	Au[2] g/t	Ag g/t	AuEq[3,4] g/t
HGR-18	25.91	38.10	12.19	0.2	1.8	0.2
	109.73	118.87	9.14	0.3	1.9	0.3
	135.64	137.16	1.52	0.5	1.3	0.5
	144.78	146.30	1.52	0.4	1	0.4
	152.40	153.92	1.52	1.3	2	1.3
HGR-19	28.96	99.06	70.10	0.2	3.4	0.3
including	79.25	80.77	1.52	1.2	3.3	1.2
	115.82	134.11	18.29	0.2	1.8	0.2
including	118.87	120.40	1.52	0.7	1.5	0.8
HGR-28	30.48	91.44	60.96	0.2	2.4	0.3
including	44.20	45.72	1.52	0.7	3	0.8
and including	54.86	56.39	1.52	0.8	2.2	0.9
	106.68	115.82	9.14	0.1	3.1	0.2
	128.02	140.21	12.19	0.2	3.6	0.3
including	131.06	134.11	3.05	0.5	5.2	0.6
HGR-30	22.86	67.06	44.20	0.3	2.3	0.4
including	56.39	65.53	9.14	0.9	1.6	0.9
	74.68	80.77	6.10	0.3	1.0	0.3
HGR-32	12.19	13.72	1.52	0.5	1.1	0.5
	33.53	56.39	22.86	0.2	2.3	0.3
	79.25	80.77	1.52	0.5	1.1	0.5
	156.97	170.69	13.72	0.4	1.7	0.5
including	156.97	158.50	1.52	2.2	3.1	2.2
HGR-33	0.00	1.52	1.52	0.3	0.4	0.3
	18.29	19.81	1.52	0.3	1.8	0.4
	27.43	44.20	16.76	0.2	2.9	0.3
	48.77	64.01	15.24	0.4	6.5	0.6
including	51.82	54.86	3.05	1.6	2.5	1.7
including	53.34	54.86	1.52	2.3	2.5	2.3
	73.15	88.39	15.24	0.2	4.2	0.3
	129.54	132.59	3.05	0.3	1.6	0.3
	175.26	176.78	1.52	0.6	1.1	0.6
HGR-34	21.34	33.53	12.19	0.4	1.4	0.4
including	22.86	24.38	1.52	1.6	1.1	1.6
	47.24	73.15	25.91	0.3	1.8	0.3
including	50.29	60.96	10.67	0.5	2.2	0.6
including	51.82	53.34	1.52	2.1	5.8	2.2

[1] - True widths unknown; additional drilling required to determine true widths

[2] - Metallic screen fire assays used in all intervals where available for HGR-30, HGR-32, HGR-33, and HGR-34. Remaining intervals are reported from 30g fire assays.
[3] - Cutoff values set at 0.17 g AuEq/t
[4] - Gold equivalent (AuEq) calculated using a Ag to Au ratio of 41.7:1, calculated at spot prices, $1500 Au and $36 Ag
[5] - All holes are inclined except for HGR-14 and HGR-18 which are vertical.

Valley Target

All eight holes drilled in the Valley target intersected precious metals mineralization, starting near surface, beneath thin post mineral alluvial cover, with widths ranging up to 67.06 metres. HGR-31 intersected 9.14 metres of 0.7 g Au/t, 1.0 g Ag/t (0.8 g AuEq/t) within a larger interval of 16.76 metres of 0.4 g Au/t, 2.5 g Ag/t (0.5 g AuEq/t). Multi-ounce Ag was intersected in three holes, with HGR-22 returning 153.9 g Ag/t, 1.0 g Au/t over 1.52 metres within a 7.62 metre interval of 0.3 g Au/t, 41.5 g Ag/t (1.3 g Au Eq). Phase II drilling has defined structural controls on mineralization along a contiguous west-northwest striking zone extending 185 metres from historic intercepts (WW-1, MW-4, RL-56). Mineralization is contained within stockworks and hydrothermal breccias developed in trachytic and rhyolitic host rocks with associated chalcedonic silica and minor banded veining at shallow depths. Historic intercepts to the north, south, east, and west suggest that mineralization can be expanded in several directions with additional drilling.

Phase II Valley intercepts.

	FROM metres	TO metres	INTERVAL metres	Au g/t	Ag g/t	AuEq[1] g/t
HGR-13	0	1.52	1.52	0.7	0.8	0.7
	48.77	54.86	6.10	0.6	2.3	0.7
including	53.34	54.86	1.52	0.9	2.0	1.0
	102.11	114.30	12.19	0.1	5.4	0.3
including	102.11	103.63	1.52	0.2	22.7	0.7
HGR-14	3.05	18.29	15.24	0.2	4.3	0.3
including	3.05	4.57	1.52	0.4	33.1	1.2
HGR-15	33.53	47.24	13.72	0.4	3.5	0.4
including	36.58	41.15	4.57	0.8	2.9	0.9
including	38.10	39.62	1.52	1.8	3.8	1.9
	85.34	152.40	67.06	0.2	5.2	0.3
including	106.68	108.20	1.52	0.5	23.4	1.1
	118.87	120.40	1.52	0.1	22.1	0.6
	149.35	150.88	1.52	0.1	25.6	0.7
HGR-20	48.77	53.34	4.57	0.3	23.2	0.8
including	48.77	51.82	3.05	0.2	32.4	1.0
	74.68	103.63	28.96	0.2	12.5	0.5
including	74.68	89.92	15.24	0.2	20.8	0.7
including	77.72	79.25	1.52	0.4	45.2	1.5
and including	85.34	86.87	1.52	0.2	56.4	1.5
HGR-21	36.58	44.20	7.62	0.7	4.4	0.8
including	41.15	42.67	1.52	1.7	3.3	1.8
	83.82	96.01	12.19	0.3	2.7	0.3
HGR-22	19.81	27.43	7.62	0.3	41.5	1.3

including	19.81	22.86	3.05	0.6	87.4	2.7
including	19.81	21.34	1.52	1.0	153.9	4.7
	45.72	74.68	28.96	0.1	4.0	0.2
	96.01	102.11	6.10	0.1	10.8	0.4
	108.20	114.30	6.10	0.1	8.9	0.3
HGR-23	28.96	68.58	39.62	0.2	8.9	0.4
including	39.62	54.86	15.24	0.3	14.0	0.6
and including	35.05	41.15	6.10	0.1	36.3	1.0
	83.82	103.63	19.81	0.2	1.0	0.2
including	102.11	103.63	1.52	1.0	5.2	1.1
	120.40	126.49	6.10	0.2	2.4	0.2
HGR-29	4.57	10.67	6.10	0.2	4.2	0.3
	21.34	59.44	38.10	0.1	6.8	0.3
including	56.39	57.91	1.52	0.2	67.3	1.8
	97.54	150.88	53.34	0.2	3.8	0.3
including	128.02	131.06	3.05	1.1	22.4	1.6
	170.69	178.31	7.62	0.3	1.3	0.3
	207.26	208.79	1.52	1.1	2.4	1.1
	220.98	224.03	3.05	0.3	1.2	0.3
HGR-31	15.24	30.48	15.24	0.1	4.1	0.2
	64.01	82.30	18.29	0.1	4.5	0.2
	108.20	124.97	16.76	0.4	2.5	0.5
including	115.82	124.97	9.14	0.7	1.0	0.8
	132.59	135.64	3.05	0.4	0.6	0.4
	152.40	155.45	3.05	0.2	1.3	0.3

South Zone

Drill hole HGR-17 intersected 10.67 metres of 1.4 g Au/t, 15.1 g Ag/t (1.7g AuEq/t) and a 22.86 metre intercept of 0.8 g Au/t, 9.8 g Ag/t (1.0 g AuEq/t) in the South Zone. This hole confirms mineralization within the pre NI-43-101 resource.

South Zone intercepts.

	FROM metres	TO metres	INTERVAL metres	Au g/t	Ag g/t	AuEq[1] g/t
HGR-17	38.10	45.72	7.62	0.1	7.9	0.3
	86.87	94.49	7.62	0.7	9.8	0.9
including	88.39	89.92	1.52	0.1	30.5	0.8
and including	89.92	91.44	1.52	1.5	3.6	1.6
	138.68	161.54	22.86	0.8	9.8	1.0
including	150.88	161.54	10.67	1.4	15.1	1.7
including	152.40	153.92	1.52	3.8	13.8	4.1
and including	160.02	161.54	1.52	0.9	60.5	2.3
	170.69	192.02	21.34	0.4	6.1	0.5

Far East Target

Two holes were drilled in the Far East target. Results are summarized in the following table.

Far East target intercepts.

	FROM metres	TO metres	INTERVAL metres	Au g/t	Ag g/t	AuEq[1] g/t
HGR-25	50.29	59.44	9.14	0.3	6.2	0.5
including	50.29	51.82	1.52	1.3	4.5	1.4
	74.68	91.44	16.76	0.4	7.3	0.6
including	80.77	82.30	1.52	1.1	9.1	1.4
HGR-26	156.97	161.54	4.57	0.1	16.6	0.5
including	156.97	158.50	1.52	0.2	31.0	1.0
	222.50	225.55	3.05	0.3	0.9	0.3

Metallic Screen Assays

Due to the presence of visible gold in certain intervals in the Southern Extension target, metallic screen assays were performed on selected mineralized intervals in HGR-30, HGR-32, HGR-33, and HGR-34. Metallic screen assays are the preferred analytical method for samples containing coarse gold because coarse Au may plate out during preparation of samples for conventional 30g (1 assay ton) fire assays, resulting in under-reporting of Au values. Metallic screen assays provide more accurate results where coarse gold is present because total Au values are calculated from analyses of both fine and coarse fractions. The metallic screen assay procedure is as follows. Approximately 1kg of sample is sieved through a 150 mesh screen and the -150 mesh and +150 mesh fractions are both saved. Gold assays are then performed on two -150 mesh splits and on the +150 mesh fraction, and a total Au value is then calculated based on the weights and assays from each fraction. The presence of coarse gold in the sample is determined by Au analysis of the coarse fraction and comparison with results from the fine fraction. Results of the metallic screen assays are summarized below.

Approximately 42% of samples analyzed by the metallic screen technique show decreases in Au relative to standard 30g fire assays whereas 58% show increases. Moreover, the median decrease in Au grade is 26% whereas the median increase is 59%. Large increases in Au grade by metallic screen assays are seen in HGR-30 and HGR-33, and to a lesser extent in HGR-32 and HGR-34, and coarse Au has been detected in 26% of samples (22 out of 86) submitted for metallic screen assays. Additional samples from mineralized intervals in the Southern Extension target are being selected to be submitted for metallic screen assays.

Comparison between standard 30g fire assay and metallic screen assay results for Southern Extension drill holes.

Sample ID	From	To	Au g/t	Au g/t	Percent difference
	metres	metres	30 g fire assay	Metallic screen assay	
HGR-30 150'-155'	45.72	47.24	0.456	0.226	-50
HGR-30 155'-160'	47.24	48.77	0.232	0.171	-26
HGR-30 160'-165'	48.77	50.29	0.130	<0.103	
HGR-30 165'-170'	50.29	51.82	0.121	<0.103	
HGR-30 170'-175'	51.82	53.34	0.165	0.38	130
HGR-30 175'-180'	53.34	54.86	0.371	0.205	-45
HGR-30 180'-185'	54.86	56.39	0.122	<0.103	
HGR-30 185'-190'	56.39	57.91	0.220	0.887	303
HGR-30 190'-195'	57.91	59.44	0.166	0.856	416
HGR-30 195'-200'	59.44	60.96	0.151	0.649	330
HGR-30 200'-205'	60.96	62.48	0.126	0.786	524

HGR-30 205'-210'	62.48	64.01	0.362	0.972	169
HGR-30 210'-215'	64.01	65.53	0.390	1.074	175
HGR-30 215'-220'	65.53	67.06	0.169	0.206	22
HGR-30 245'-250'	74.68	76.20	0.199	0.233	17
HGR-30 250'-255'	76.20	77.72	0.417	0.495	19
HGR-30 255'-260'	77.72	79.25	0.399	0.31	-22
HGR-30 260'-265'	79.25	80.77	0.112	0.17	52
HGR-32 110'-115'	33.53	35.05	0.168	0.308	83
HGR-32 115'-120'	35.05	36.58	0.300	0.307	2
HGR-32 120'-125'	36.58	38.10	0.780	0.431	-45
HGR-32 125'-130'	38.10	39.62	0.414	0.227	-45
HGR-32 130'-135'	39.62	41.15	0.134	0.171	28
HGR-32 135'-140'	41.15	42.67	0.083	<0.103	
HGR-32 140'-145'	42.67	44.20	0.162	0.257	59
HGR-32 145'-150'	44.20	45.72	0.298	0.14	-53
HGR-32 150'-155'	45.72	47.24	0.156	0.105	-33
HGR-32 155'-160'	47.24	48.77	0.111	0.258	132
HGR-32 160'-165'	48.77	50.29	0.123	0.139	13
HGR-32 165'-170'	50.29	51.82	0.205	0.298	45
HGR-32 170'-175'	51.82	53.34	0.143	0.139	-3
HGR-32 175'-180'	53.34	54.86	0.106	0.172	62
HGR-32 180'-185'	54.86	56.39	0.509	0.123	-76
HGR-33 95'-100'	28.96	30.48	0.343	0.718	109
HGR-33 135'-140'	41.15	42.67	0.309	0.25	-19
HGR-33 160'-165'	48.77	50.29	0.206	0.153	-26
HGR-33 165'-170'	50.29	51.82	0.446	0.227	-49
HGR-33 170'-175'	51.82	53.34	0.171	0.946	452
HGR-33 175'-180'	53.34	54.86	0.617	2.253	265
HGR-33 180'-185'	54.86	56.39	0.171	0.235	37
HGR-33 185'-190'	56.39	57.91	0.171	0.156	-9
HGR-33 190'-195'	57.91	59.44	0.137	0.146	6
HGR-33 250'-255'	76.20	77.72	0.171	0.315	84
HGR-33 255'-260'	77.72	79.25	0.274	0.141	-49
HGR-33 260'-265'	79.25	80.77	0.171	0.14	-18
HGR-33 265'-270'	80.77	82.30	0.171	<0.103	
HGR-33 270'-275'	82.30	83.82	0.240	0.222	-7
HGR-33 275'-280'	83.82	85.34	0.343	0.208	-39
HGR-33 280'-285'	85.34	86.87	0.274	0.139	-49
HGR-34 70'-75'	21.34	22.86	0.171	0.207	21
HGR-34 75'-80'	22.86	24.38	1.166	1.57	35
HGR-34 80'-85'	24.38	25.91	0.171	0.143	-17
HGR-34 85'-90'	25.91	27.43	0.103	0.112	9
HGR-34 90'-95'	27.43	28.96	0.069	0.158	130
HGR-34 95'-100'	28.96	30.48	0.240	0.277	15
HGR-34 100'-105'	30.48	32.00	0.103	0.12	17
HGR-34 105'-110'	32.00	33.53	0.549	0.657	20
HGR-34 155'-160'	47.24	48.77	0.206	0.191	-7
HGR-34 160'-165'	48.77	50.29	0.137	0.16	17

HGR-34 165'-170'	50.29	51.82	0.171	0.138	-19
HGR-34 170'-175'	51.82	53.34	1.303	2.093	61
HGR-34 175'-180'	53.34	54.86	0.171	0.335	95
HGR-34 180'-185'	54.86	56.39	0.274	0.221	-19
HGR-34 185'-190'	56.39	57.91	0.240	0.296	23
HGR-34 190'-195'	57.91	59.44	0.171	0.297	73
HGR-34 195'-200'	59.44	60.96	0.411	0.4	-3

Drill samples were collected at the drill site, transported to Sparks, NV and assayed by Inspectorate America of Reno, following standard industry practice. Gold results were determined using standard fire assay techniques on a 30 gram sample with an atomic absorption finish. Additional gold values were determined by metallic screen assays as described and tabulated above. Samples or standards returning assays exceeding 10 grams Au per tonne were re-assayed using a gravimetric finish. Silver results were determined by ICP. Rigorous QA/QC was employed including the insertion of standards and blanks into the sample stream.

Additional metallic screen assays were received for selected intervals in the Southern Extension target. These results further confirm the presence of coarse gold in the Southern Extension.

Subsequent Events

There have been no subsequent events.

Activities Contemplated In The Future

The Company continues to seek out a suitable joint venture partner.

GARCIA FLATS PROPERTY, ELKO COUNTY, NEVADA

Historical Overview

On March 30, 2006, the Company signed a letter of intent to acquire a 100% interest in the Garcia Flats property in Nevada from Churnhill Gold LLC ("CGL"), a private company controlled by an Officer of the Company. The property is located at the southern extension of the Carlin trend in Elko County, Nevada. Garcia Flats is located approximately 40 kilometers south of Newmont's Rain mine and 35 km northwest of Barrick's Bald Mountain mine. The property, at the time, was comprised of 72 unpatented mining claims covering 5.8 square km (1,440 acres).

On December 22, 2006, the Company entered into a property purchase agreement with CGL. The Company may earn a 100% interest upon completion of a schedule of property payments totaling US$40,000, the issuance of 300,000 shares and exploration expenditures of US$400,000 over a three-year period. On April 8, 2009, the property option agreement with Churnhill Gold LLC was amended to provide a cash payment of US$2,000 and the issuance of 196,800 common shares of the Company in full and final satisfaction of the obligations of the Property Option Agreement as follows:

Date	Amount	
On Execution of Agreement	US$10,000	Paid
On or before February 6, 2007	US$10,000	Paid
On or before February 6, 2008	US$10,000	Paid
On or before February 6, 2009 Amended	US$2,000	Paid
Total	**US$32,000**	

Date	Number of shares	
On Execution of Agreement	25,000	Issued
On or before February 6, 2007	50,000	Issued
On or before February 6, 2008	100,000	Issued
On or before February 6, 2009 Amended	196,800	Issued
Total	**371,800**	

In May 2007, the Company entered into a Memorandum of Understanding with Gunpoint Exploration (previously Christopher James Gold Corp. ("CJGC")) whereby CJGC has an option to earn an undivided 70% interest in Garcia Flats in exchange for a total of 225,000 shares of CJGC and a commitment to spend an aggregate of $2,500,000 over 3 years on the property. In September 2007, the Company received 50,000 shares from CJGC and CJGC had contributed a total of $500,000 toward the property.

After CJGC has earned a 70% interest in the project, the Company will be required to participate in the project expenditures on a pro-rata basis or be diluted to a 12.5% interest through completion of a bankable feasibility study. During the year ended March 31, 2008, the Company issued 245,000 shares with a fair market value of $58,800 as a finder's fee relating to this agreement. As of August 13, 2008, CJGC has withdrawn from the Garcia Flats joint venture.

The Company announced on September 22, 2008 that CJGC decided not to continue with the option agreement to acquire up to 70% of the Garcia Flats project.

As of the year ending March 31, 2011, the Company decided to make an impairment on the property of $508,186 and carry it at a nominal value of $1. The exploration expenditure requirement of the agreement has been satisfied.

The property is subject to a NSR of 3%, one-half of which may be purchased for US$750,000.

Property Description

On September 1, 2008, the claims were reduced to 15 unpatented lode claims covering an area of approximately 300 acres (1.21 square kilometres) at the north end of Diamond Valley in Elko County, Nevada. It is along the southern projection of the Carlin Trend.

Background

Based on regional reconnaissance and targeting work, the Garcia Flats property was identified as an area that could potentially host an entirely buried Carlin-type district on the southern extension of the Carlin trend. Broadly-spaced soil surveying identified anomalous gold and pathfinder element responses that were then staked. Detailed soil surveying, acquisition of magnetic and gravity data, and geologic modeling led to the definition of three large north-northwest trending target zones. Two of these were subsequently drill tested with three flooded reverse circulation drill holes totaling 5,385 feet (1,641 m). Drilling was funded by joint venture partner Gunpoint Exploration Ltd. (previously Christopher James Gold).

The three drill holes at Garcia Flats were positioned to test an enzyme leach geochemical anomaly, which was interpreted as the surface expression of a possible buried Carlin-type gold deposit. All three holes encountered what appears to be an epithermal-type alteration within what are interpreted as Eocene volcanics and interbedded limestones and volcaniclastics. The mineralization, which was intersected under several hundred metres of pediment cover, is low-grade and associated with anomalous gold and a suite of path-finder elements typical of both Carlin- and Epithermal-type mineralization.

A high of 0.08 grams/tonne (“g/t”) gold (Au) was intersected in reverse circulation (r/c) hole GFR-3 at 1,615-1,620 feet (492-494 m). This occurs at the top of a zone of hydrothermal carbonate replacing felsic volcanic and volcaniclastic rocks and appears to be within a transition zone between volcanic rocks above and volcaniclastic rocks below. Limestone occurs from 1,700 feet (518 m) to the bottom of the hole at 2,255 feet (687 m) and contains several five foot intercepts with weakly anomalous gold, arsenic, antimony, molybdenum, tellurium and mercury.

Approximately 1,050 feet (320 m) to the west, r/c hole GFR-2 contains three separate five foot intercepts in carbonate-altered volcaniclastic units ranging from 0.024 g/t to 0.039 g/t Au at 1,625-1,630 feet (495-497 m), 1,680-1,685 feet (512-514 m), and 1,700-1,705 feet (518-520 m) respectively. The mineralized intercept is strongly anomalous in barium and weakly anomalous in thallium.

Reverse circulation hole GFR-1 is approximately 4,080 feet (1,244 m) east of r/c hole GFR-3 and includes a broad zone from 690 feet (210 m) to 910 feet (277 m) that is anomalous in gold, arsenic, mercury, molybdenum, antimony, thallium, selenium, and barium. This anomalous geochemistry is hosted in limestone and carbonate-altered sedimentary and/or volcaniclastic rocks in the footwall of an interpreted fault zone.

Final petrographic reports for a suite of representative samples were received from the Company’s consulting petrographer. A model of the mineralizing system has been built based on these data combined with other project data including geochemistry, geology and geophysics.

Gunpoint Exploration Ltd. (previously Christopher James Gold) has terminated the joint venture agreement and holds no further interest in the property.

During the six months ended September 30, 2011

There has been no activity on the property during the period.

Subsequent Events

There has been no subsequent activity at Garcia Flats.

Activities Contemplated In The Future

The Company is seeking a partner for the project.

RW PROPERTY, EUREKA COUNTY, NEVADA

Property Description

The RW claims cover approximately 4.04 square miles (1045 hectares) in the southern Battle Mountain-Eureka Trend and are approximately three miles south of the Gold Pick, Gold Ridge, Cabin Creek, and Hunter cluster of deposits controlled by US Gold and known as their Gold Bar project. The Gold Bar mine, formerly operated by Atlas Precious Metals, is approximately 5.7 miles (9.2 km) west-northwest of the RW claims. The Gold Bar, Gold Pick, Gold Ridge, Gold Stone, and Gold Canyon deposits have produced approximately 500,000 oz Au. US Gold reports current measured, indicated, and inferred resources totaling 996,744 oz Au for it’s Gold Bar project.

Background

The Company believes the RW claims are prospective for the discovery of multi-million ounce Carlin-type ore bodies, based on proximity to known Carlin-type deposits, projections of mineralized trends, and geophysical and geochemical anomalies on or projecting onto the claims.

The RW property is situated within a gravel-covered portion of the Roberts Mountains Window, in which Devonian carbonate units structurally below the Roberts Mountains Thrust are uplifted and exposed in the Roberts Mountains. Certain of these Devonian units are hosts to the Carlin-type gold deposits to the north and are interpreted to occur at relatively shallow depths at the RW claims. A west-northwest trending gravity high, parallel to the alignment of deposits in the Roberts Mountains, extends to the east-southeast from the Gold Bar mine onto the RW claims. Preliminary gravity data suggest that depth to basement on the majority of the RW claim block is between 500 ft (150 m) and 1000 ft (300 m).

A soil geochemical survey undertaken by Harvest shows discrete north and west-northwest trending gold responses that cross much of the claim block. Arsenic, antimony, and other Carlin-type pathfinders are also enriched in these zones. The west-northwest gold response is approximately 3.7 miles long and at least 0.8 miles wide. This gold anomaly has the same orientation as the Gold Pick/Gold Ridge cluster of deposits. The most prominent north-trending gold response is approximately 2.7 miles long, 0.4 miles wide, and projects into the Hunter gold deposit approximately 1.6 miles north of the RW claims.

Several companies have carried out previous work, including a few shallow drill holes, within or adjacent to Harvest's claim block. The company is in the process of acquiring as much of this information as possible and compiling and integrating this information into its database. Harvest plans to collect additional soil geochemical data and geophysical data in order to develop drill targets within this large land position.

The Company staked 125 100% owned unpatented lode claims, the RW claims, on the south pediment of the Roberts Mountains in Eureka County, Nevada.

During the six months ended September 30, 2011

There has been no activity on the property during the period.

Subsequent Events

There has been no subsequent activity at the RW project.

Activities Contemplated In The Future

The Company is seeking a joint venture partner to continue exploration of the RW project..

<u>HUNT PROPERTY, ASSEAN LAKE, MANITOBA</u>

Historical Overview

By an option agreement, effective June 28, 2005, the Company acquired, subject to a 3% NSR, a 100% interest in certain claims comprising the Hunt Property located in Manitoba, Canada. As at September 30, 2008, the Company has fulfilled its required consideration payments and by sub-option agreement, optioned 60% of its interest to NGEx

Resources Inc. (“NGX”) (previously Canadian Gold Hunter Corp), a public company listed on the TSX-V. As a result, the Company and NGX formed a joint venture (the “Hunt Property joint venture”) on a 40/60 basis, respectively.

The Hunt Property joint venture also had the option to purchase 50% of the NSR for $1,500,000.

Property Description

The Assean Lake gold property is located 125 kilometers via provincial highway #280, north east of the city of Thompson, Manitoba, a world class nickel, smelting and refining center. The property currently consists of 58 claims covering 9,598 hectares.

The Hunt Property is an advanced exploration project with over $4 million spent on drilling and surveying activity to date. The primary exploration target at Assean Lake is shear-hosted gold associated with gold-enriched sulphide iron formation which is typical of mineralization styles for gold deposits on the Canadian Shield. Six gold zones have been identified to date (both from historical and current exploration programs) on the Company's property over a 12 kilometre strike length. The gold zones occur along the Assean Lake shear zone, a 200 kilometre long deformation zone similar to major shear zones associated with important gold mining camps elsewhere on the Canadian Shield.

As of March 31, 2010, the Company had incurred $918,593 (March 31, 2009 - $918,593) of net expenditures on the property.

During the prior year ending March 31, 2010 the Company wrote down the property by $1,196,092 to a nominal value of $1.

Background

The Assean Lake property lies within the northeastern extension of the Thompson Nickel Belt, a zone marking the collisional margin of two ancient continents, the Early Proterozoic Churchill Province to the north west against the older Archean Superior Province to the south east during the Trans-Hudson orogeny. The contact between the two provinces is known as the Superior Boundary Zone, a zone of extreme, multi-stage deformation with a major bounding fault(s) and characterized by high-grade metamorphism all key characteristics associated with major gold camps around the world

The local geology of the Assean Lake property is poorly understood due to extensive cover of lacustrine clay, silt, sand and basal till up to 20 meters in thickness. Based on limited outcrops and core from diamond drilling, the area is underlain by gneiss and schist of varied derivation and Archean (+ 2.7 billion years) to early Proterozoic in age. On the claims, a sequence of metamorphosed and folded rocks of sedimentary origin with swarms of strongly folded gabbroic dikes. The succession is comparable to, and possibly correlative with, the Ospwagan Group (2.1 to 1.9 billion years), which hosts several major nickel deposits near Thompson, 125 kilometers to the southwest.

The gold prospects have similar characteristics to shear-hosted deposits found in the prolific gold belts of the Precambrian shield in eastern and northern Canada. Precambrian shear-hosted gold deposits range in size from a few thousand metric tons to over 50 million metric tons and constitute a significant source of global gold production. The region around Assean Lake has been explored periodically since the 1930's, when prospectors first discovered the Lindal, Dunbrack and Galena Island gold showings along the lake's shore. Sherritt Gordon Mines Ltd. drilled some short holes on the Dunbrack showing in 1938 and Westfield Minerals drilled two holes in 1959. In 1964, Hudson Bay Exploration & Development carried out a regional airborne electro-magnetic (EM) survey over the area, which led to the subsequent drill discovery of the small Tex zinc prospect in 1965.

From February 2001 to April 2005, NGEX Resources Inc. (Previously Canadian Gold Hunter), later jointly with VMS Ventures Inc, funded and carried out nine major programs during the intervening summer and winter field seasons. Work to date on the property by the JV partners includes significant line cutting for surface grid development, MMI geochemistry, ground magnetic surveys, induced polarization (IP) surveys, ground electro-magnetic (EM) surveys and the drilling of 183 core holes amounting to 28,566 meters. The various programs resulted in the discovery of a number of gold occurrences at Assean Lake, including the Hunt Zone and the BIF (banded iron formation) Zone among others.

The Hunt Zone is a mineralized shear reaching a width of almost 10 meters and extending over a strike length of 700 meters. It has been tested by 57 diamond drill holes (14,058 meters). Considerable fine visible gold within the Hunt Zone occurs in a high-grade shoot where grades reach as high as 27.22 g/t Au over 4.27 meters (about 3.60 meters true width). The shoot has a strike length of about 100 meters and plunges within the broader zone of gold mineralization at about -45° to the WSW.

The Hunt Zone has been traced by drilling to a depth of 250-275 meters. At that depth, the zone is disrupted by a complex, steeply dipping, fault-breccia zone. Seven deep drill holes below the fault breccia zone failed to intersect the high-grade Hunt Zone. The Hunt Zone remains open to the west above the fault breccia but grades are low.

The BIF Zone is a sulphide-bearing iron formation underlying a strike length of some 1,000 meters immediately east of the Hunt Zone. The zone has been tested by 15 core holes up to a depth of 200 meters. Gold in the BIF Zone is not visible to the naked eye and is associated with pyrite and pyrrhotite introduced into magnetite iron formation. Gold grades are generally low and erratic, typically ranging from 0.50 to 4.25 g/t over two to seven meters. Given the close spatial relationship of the BIF and Hunt gold systems, the two zones are probably part of the same mineralizing event.

During the six months ended September 30, 2011

The Company is seeking a joint venture partner to continue exploration of the Hunt Property.

Subsequent Events

There are no subsequent events to report.

Activities Contemplated In The Future

The Company continues to seek joint ventures partners to pursue the exploration of this highly prospective property.

RICE LAKE CLAIMS, MANITOBA (Cud)

Historical Overview

Through an agreement dated June 23, 2008, the Company was granted an option to acquire, subject to a 2% NSR, a 100% interest in the property located in the Rice Lake Greenstone Belt, Manitoba, Canada, for the following consideration:

Date	Amount
Upon execution of the option agreement	$5,000 Paid

Date	Number of shares
On Execution of Agreement	200,000 Issued

The Company also has the option to purchase 50% of the NSR for a purchase price of $1,000,000.

Property Description

The property is located 7 km from the gold mining community of Bissett, Manitoba where San Gold Resources Corporation (TSX-V: SGR) is operating two mines and a mill. The Company is interested in the claim for its potential to host similar mineralization to San Gold's nearby #2 and #3 gold zones.

Background

Little exploration has taken place on the claim which is located immediately north and east of San Gold's #2-#3 zone. The#2- #3 zone strikes east southeast and appears to have a vertical to very steep north dip. Future work will focus on determining if parallel structures similar to the #2-#3 zone exist on the Cud claim as well the Company will investigate the possibility that the #2-#3 zone dips onto the Cud claim at depth. The property has good road access and drill hole collars on the neighboring San Gold property come within 15 meters of the Cud claim boundary.

During the six months ended September 30, 2011

In May 2011 line cutters began establishing a grid over the property ahead of prospecting, geophysical and geochemical surveys that are planned for completion during the summer field season. In June 2011, line cutting was completed and a surface magnetometer survey was performed over the claim. Several historical prospecting trenches were discovered during the course of the magnetometer survey.

Subsequent Events

An Induced Polarization (IP) geophysical program was completed and numerous charge-ability targets have been outlined along favourable geological structures. A prospecting program was carried out reviewing prospective charge-ability anomalies. Rock types consist of sheared felsic and intermediate volcanic with quartz vein material found in float.

Activities Contemplated In The Future

The Company is preparing drill targets based on the IP program and discussing potential partnerships for the project.

RESULTS FROM OPERATIONS

Selected Information

The Company's consolidated financial statements for the six months ended September 30, 2011 (the "Consolidated Financial Statements") have been prepared in accordance with International Financial Reporting Standards ("IFRS") and practices. Currency amounts are in Canadian dollars, except where stated otherwise. The following selected financial information is taken from the Consolidated Financial Statements and should be read in conjunction with those statements.

	For the Six months ended		
	September 30, 2011	September 30, 2010	September 30, 2009 **
Financial Results			
Net loss	$ 58,149	$ 310,607	$ 2,099,143
Basic loss per share	0.00	0.01	0.05

As at:	September 30, 2011	March 31, 2011	March 31, 2010 **
Balance Sheet Data			
Cash and short-term investments	$ 387,827	$ 1,125,690	$ 266,046
Mineral properties	2,281,723	1,782,815	1,671,450
Total assets	2,714,231	2,977,068	1,970,133
Shareholders' deficit	(8,347,747)	(8,289,598)	(7,329,430)

****** Figures for September 30, 2009 and March 31, 2010 are expressed under Canadian GAAP.

Six Months Ended September 30, 2011 compared with Six Months Ended September 30, 2010

The Company incurred a net loss of $58,149 for the six months ended September 30, 2011; a decrease of $252,458, compared to $310,607 for the six months ended September 30, 2010. The result primarily was the decrease in stock-based compensation of $130,741 which resulted from an adjustment on expired unexercised stock options, a decrease of $66,089 in investor relation services which was the result of less advertising costs and ending an IR consulting agreement, consulting fees, a decrease of $5,364 in professional fees, a decrease of $8,338 in transfer agent and filing fees and a net decrease of $43,451 for general operating costs in rent, travel, office and admin costs. There was future income tax recovery due to the renounced amount on the flow-through subscription agreements.

Investor relations

Investor relations expenses for the six months ended September 30, 2011 were $27,427, a decrease of $66,089, from $93,516 for the six months ended September 30, 2010. The decrease is the result of less advertising and ending an IR Consulting agreement.

Stock-based compensation

The Company did not grant any stock options during the six months ended September 30, 2011 but made an adjustment on expired unexercised stock options previously granted to generate a stock-based compensation decrease in the amount of $130,741 compared to the stock-based compensation amount of $92,942 for the six months ended September 30, 2010 for the grant of 1,669,325 stock options to directors, officers, employees and consultants of the Company for a stock-based compensation charge of $118,305 of which $83,328 was expensed and $34,977 was capitalized and an expense of $12,220 for vested stock options.

Operating expenses

During the six months ended September 30, 2011 the Company had a net decrease of $43,451 in general operations including amortization, consulting fees, property investigation costs, salaries, travel and rent. A decrease of $5,364 in professional fees and a decrease of $8,338 in transfer agent and regulatory fees as a result of fewer transactions.

SUMMARY OF QUARTERLY RESULTS

	Three months ended			
	September 30, 2011	June 30, 2011	March 31, 2011	December 31, 2010
Net income/(loss)	$ 4,999	$ (63,147)	$ (1,041,006)	$ (110,213)
Basic loss per share	0.00	0.00	0.02	0.00

	Three months ended			
	September 30, 2010	June 30, 2010	March 31, 2010 **	December 31, 2009 **
Net loss	$ (109,538)	$ (201,069)	$ (2,619,934)	$ (40,493)
Basic loss per share	0.00	0.00	(0.06)	0.00

Balance Sheet Data				
As at:	**September 30, 2011**	**June 30, 2011**	**March 31, 2011**	**September 30, 2010**
Working capital/ (deficit)	$ 340,118	$ 440,727	$ 951,019	$ 357,797
Mineral properties	2,281,723	2,218,262	1,782,815	2,258,520
Total assets	2,714,231	2,790,188	2,977,068	2,797,882
Shareholders' equity	2,626,439	2,659,490	2,724,387	2,652,446

As at:	**June 30, 2010**	**March 31, 2010 ****	**December 31, 2009 ****	**September 30, 2009 ****
Working capital	$ 646,087	$ (10,561)	$ (32,243)	$ 114,619
Mineral properties	2,041,017	1,671,450	4,197,058	4,053,992
Total assets	3,082,951	1,970,133	4,438,809	4,443,684
Shareholders' equity	2,723,817	1,678,270	4,183,019	4,209,012

**Figures for September 30, 2009, December 31, 2009 and March 31, 2010 are expressed under Canadian GAAP.

LIQUIDITY AND CAPITAL RESOURCES

As at September 30, 2011, the Company has cash of $387,827 of which $88,434 is flow-through dollars for the exploration of the Manitoba projects. The Company has slowed its utilization of its cash resources on administrative requirements and the Company is now looking for a partner on the Rosebud property. The Company has no significant income, and will rely on replenishing cash balances by capital fundraising.

The Company’s operations to date have been primarily financed by sales of equity securities. The Company continues to seek capital through various means including the issuance of equity and/or debt.

The financial statements have been 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 for the foreseeable future. The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing and to commence profitable operations in the future.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

The Company’s financial instruments consist of cash and cash equivalents, receivables and trade payables and accrued liabilities. Cash and cash equivalents are designated as held for trading and therefore carried at fair value, with the unrealized gain or loss recorded in income. Receivables are designated as loan receivables and trade payables , accrued liabilities are designated as other financial liabilities and recorded at amortized cost. Marketable securities are available for sale with the unrealized gain or loss recorded in other comprehensive income.

The fair value hierarchy establishes three levels to classify inputs to the valuation techniques used to measure fair value. Level 1 inputs are quoted market prices (unadjusted) in active markets for identical assets or liabilities. Level 2 inputs are inputs other than quoted market prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 3 inputs are unobservable (supported by little or no market activity).

Cash and cash equivalents are stated at fair value and are classified as Level 1 of the fair value hierarchy. The fair values of accounts receivables, trade payables and accrued liabilities are approximate carrying value because of the short term nature of these instruments.

The fair value of available for sale investments are determined based on a market approach reflecting the closing price of each particular security at the closing balance sheet date. The closing price is a quoted market price obtained from the exchange that is the principal active market for the particular security, and therefore available for sale securities are classified within Level 1 of the fair value hierarchy.

SUBSEQUENT EVENTS

During October 2011 the Company sold 3,200 units of Gunpoint Exploration for net proceeds of $3,525.

RISKS AND UNCERTAINTIES

The Company is in the mineral exploration and development business and as such is exposed to a number of risks and uncertainties that are not uncommon to other companies in the same business. Exploration for mineral resources involves a high degree of risk, and the cost of conducting programs may be substantial and the likelihood of success is difficult to assess. The Company attempts to mitigate its exploration risk through joint ventures with other companies.

Beyond exploration risk, management is faced with other possible risks which include the following:

Metal Price Risk

The price of gold greatly affects the value of the Company and the potential value of its properties and investments. This, in turn, greatly affects its ability to form joint ventures and the structure of any joint ventures formed.

Financial Market Risk

The Company is dependent on the equity markets as its sole source of operating working capital and the Company's capital resources are largely determined by the strength of the resource markets and by the status of the Company's projects in relation to these markets, and its ability to compete for the investor support of its projects.

Title Risk

The Company has investigated its right to explore and exploit its properties and, to the best of its knowledge, has title to properties in which it has a material interest. However, the results of the Company's investigations should not be construed as a guarantee of title.

Environmental Risk

The Company seeks to operate within environmental protection standards that meet or exceed existing requirements in the country in which the Company operates. Present or future laws and regulations, however, may affect the Company's operations. Future environmental costs may increase due to changing requirements or costs associated with exploration and the developing, operating and closing of mines. Programs may also be delayed or prohibited in some areas. Although minimal at this time, site restoration costs are a component of exploration expenses.

Value Risk

There is no certainty that the properties which the Company has deferred as assets on its consolidated balance sheet will be realized at the amounts recorded. These amounts should not be taken to reflect realizable value.

Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, then actual results may vary materially from those described on forward-looking statements. The Company has not completed a feasibility study on any of its properties to determine if it hosts a mineral resource that can be economically developed and profitably mined.

OFF-BALANCE SHEET ARRANGEMENTS

The Company did not enter into any off-balance sheet arrangements during the period.

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The information provided in this report, including the financial statements, is the responsibility of management. In the preparation of these statements, estimates are sometimes necessary to make a determination of future values for certain assets or liabilities. Management believes such estimates have been based on careful judgments and have been properly reflected in the accompanying consolidated financial statements.

OUTSTANDING COMMON SHARE DATA

As at September 30, 2011, the Company had 69,813,245 common shares issued and outstanding.

As at the date of this MD&A, the Company had 69,813,245 common shares issued and outstanding.

RELATED PARTY TRANSACTIONS

Except as disclosed elsewhere in these financial statements, related party transactions are in the normal course of operations and are measured at their exchange amounts, which is the amount of consideration paid or received as agreed by the parties. Related party transactions are as follows:

a. Contractual commitments with related parties

i) On January 1, 2008, the Company entered into a management agreement with an officer and director to fulfil the role as Chief Executive Officer for a period of 5 years. On September 1, 2009 an amendment adjusted the monthly rate to $4,000 per month.

ii) On January 1, 2008, the Company entered into an independent contractor agreement with an officer to fulfil the role as Exploration Geologist for a period of 3 years. On October 1, 2009 an amendment adjusted the monthly rate to US$10,000 per month. As of August 31, 2011 the agreement was mutually terminated.

b. Transactions with related parties

The Company incurred expenditures for various services provided by directors and officers and corporations controlled by directors and officers of the Company during the six months ended September 30, 2011 and 2010 as follows:

The Company paid or accrued $35,648 (Sept. 2010 - $64,832), in geological consulting fees to an officer of the Company of which $34,053 (Sept. 2010 - $63,046) have been capitalized to mineral property expenditures as consulting services and $1,595 (Sept. 2010 - $6,708) has been expensed to geological consulting.

The Company paid or accrued $30,000 (Sept. 2010 - $32,400) in management fees to directors of the Company.

As of September 30, 2011, amounts due to related parties were $68,663 (Sept. 2010 $140,374) which were $68,663 (Sept. 2010 - $78,076) owing to companies related through directors of the Company for shared administration costs and $nil (Sept. 2010 - $62,298) owing to a director and an officer of the Company for management fees and geological fees. These amounts are non-interest bearing and have no fixed terms of repayment.

CAUTION REGARDING FORWARD LOOKING STATEMENTS

Statements contained in this MD&A that are not historical facts are forward-looking statements (within the meaning of the Canadian securities legislation and the U.S. Private Securities Litigation Reform Act of 1995) that involve risks and uncertainties. Forward-looking statements include, but are not limited to, statements with respect to the future price of metals; the estimation of mineral reserves and resources, the realization of mineral reserve estimates; the timing and amount of estimated future production, costs of production, and capital expenditures; costs and timing of the development of new deposits; success of exploration activities, permitting time lines, currency fluctuations, requirements for additional capital, government regulation of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims, limitations on insurance coverage and the timing and possible outcome of pending litigation. In certain cases, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such risks and other factors include, among others, risks related to the integration of acquisitions; risks related to operations; risks related to joint venture operations; actual results of current exploration activities; actual results of current reclamation activities; conclusions of economic evaluations; changes in project parameters as plans continue to be refined; future prices of metals; possible variations in ore reserves, grade or recovery rates; failure of plant, equipment or processes to operate as anticipated; accidents, labour disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing or in the completion of development or construction activities, as well as those factors discussed in the sections entitled "Risks and Uncertainties" in this MD&A. Although the Company has attempted to identify important factors that could affect the Company and may cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The forward-looking statements in this MD&A speak only as of the date hereof. The Company does not undertake any obligation to release publicly any revisions to these forward-looking statements to reflect events or circumstances after the date hereof to reflect the occurrence of unanticipated events.

Forward-looking statements and other information contained herein concerning the mining industry and general expectations concerning the mining industry are based on estimates prepared by the Company using data from publicly available industry sources as well as from market research and industry analysis and on assumptions based on data and knowledge of this industry which the Company believes to be reasonable. However, this data is inherently imprecise, although generally indicative of relative market positions, market shares and performance characteristics. While the Company is not aware of any misstatements regarding any industry data presented herein, the industry involves risks and uncertainties and is subject to change based on various factors.

INTERNAL CONTROLS OVER FINANCIAL REPORTING

There have been no changes in the Company's internal control over financial reporting that occurred during the Company's most recent six months ended September 30, 2011 that has materially affected, or is reasonably likely to materially affect, the issuer's internal control over financial reporting.

APPROVAL

The Board of Directors of Harvest Gold Corporation has approved the disclosure contained in this MD&A. A copy of this MD&A will be provided to anyone who requests it.

CHANGES IN ACCOUNTING POLICIES AND CRITICAL ACCOUNTING ESTIMATES

Accounting Standards Not Yet Effective

Amendments to IFRS 7 "Financial Instruments: Disclosures"

This amendment increases the disclosure required regarding the transfer of financial assets, especially if there is a disproportionate amount of transfer transactions that take place around the end of a reporting period. This amendment is effective for annual periods beginning on or after July 1, 2011.

New standard IFRS 9 "Financial Instruments"

This new standard is a partial replacement of IAS 39 "Financial Instruments: Recognition and Measurement". This new standard is effective for annual periods beginning on or after January 1, 2013.

The Company has not early adopted these revised standards and is currently assessing the impact that these standards will have on the consolidated financial statements.

Critical Accounting Estimates

The preparation of financial statements requires the Company to make estimates that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant areas requiring the use of estimates relate to the determination of impairment of long-lived assets, determination of asset retirement obligations, valuation allowances for future income taxes and assumptions used in determining the fair value of non-cash based compensation.

Impairment of long lived assets

Management periodically reviews the carrying value of its mineral properties with internal and external mining related professionals. A decision to abandon, reduce or expand a specific project is based upon many factors including general and specific assessments of reserves, anticipated future prices, anticipated future costs of exploring, developing and operating a producing mine, expiration term and ongoing expense of maintaining leased mineral properties and the period for properties with unproven reserves. However, properties which have not demonstrated suitable mineral concentrations at the conclusion of each phase of an exploration program are re-evaluated to determine if future exploration is warranted and their carrying values are appropriate.

If an area of interest is abandoned or it is determined that its carrying value cannot be supported by future production or sale, the related costs are charged against operations in the period of abandonment or determination that the carrying value exceeds its fair value. The amounts recorded as mineral properties represent costs incurred to date and do not necessarily reflect present or future values.

Provision for reclamation and rehabilitation

Reclamation and closure costs have been estimated based on the Company’s interpretation of current regulatory requirements, however changes in regulatory requirements and new information may result in revisions to estimates. The Company recognizes the present value of liabilities for reclamation and closure costs in the period in which they are incurred. These obligations are measured initially at fair value and the resulting costs capitalized to the carrying value of the related asset. In subsequent periods, the liability is adjusted for any changes in the amount or timing and for the accretion of discounted underlying future cash flows. The capitalized asset retirement cost is amortized to operations over the life of the asset.

Deferred Income Tax

The Company follows the asset and liability method of accounting for income taxes. Under this method, future 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 bases, and losses carried forward. Future tax assets and liabilities are measured using substantively enacted or 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 future tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the substantive enactment date. Future tax assets are recognized to the extent that they are considered more likely than not to be realized. The valuation of future income tax assets is adjusted, if necessary, by the use of a valuation allowance to reflect the estimated realizable amount. The future income tax provision also incorporates management’s estimates regarding the utilization of tax loss carry forwards, which are dependent on future operating performance and transactions.

Stock-based Compensation

The Company records all stock-based compensation for options using the fair value method. The fair value of each option award is estimated on the date of the grant using the Black-Scholes option pricing model, with expected volatility based on historical volatility of our stock. The Company uses historical data to estimate the term of the option and the risk free rate for the expected term of the option is based on the Government of Canada yield curve in effect at the time of the grant.

INTERNATIONAL FINANCIAL REPORTING STANDARDS

On February 13, 2008, the Canadian Accounting Standards Board confirmed that publicly accountable enterprises would be required to adopt International Financial Reporting Standards (“IFRS”) in place of Canadian GAAP for interim and annual reporting purposes for fiscal years beginning on or after January 1, 2011. Accordingly, the Company has transitioned from Canadian GAAP reporting and commenced reporting under IFRS for the first quarter of 2011, with restatement of comparative information presented.

FIRST TIME ADOPTION OF IFRS

The Company has adopted IFRS on April 1, 2011 with a transition date of April 1, 2010. Under IFRS 1 *First time adoption of International Financial Reporting Standards* (IFRS 1), the IFRS standards are applied retrospectively at the transition date with all adjustments to assets and liabilities as stated under GAAP taken to deficit, with IFRS 1 providing for certain optional and mandatory exemptions to this principle.

The Company has applied the following optional transition exemptions to full retrospective application of IFRS:

IFRS 2 “Share-based payment” – IFRS 1 allows that full retrospective application may be avoided for certain share-based instruments depending on the grant date, vesting terms and settlement of any real liabilities. A first-time adopter can elect to not apply IFRS 2 to share-based payments granted after November 7, 2002 that vested before the later of (a) the date of transition to IFRS and (b) January 1, 2005. The Company plans to elect this exemption and will apply IFRS 2 to only unvested stock options as at April 1, 2010 being the transition date.

IFRS 3 “Business Combinations” – IFRS 1 allows that a first-time adopter may elect not to apply IFRS 3 Business Combinations retrospectively to business combinations prior to the date of transition avoiding the requirement to restate prior business combinations. The Company plans to elect this exemption and as such expects no difference between Canadian GAAP and IFRS on transition for differences in business combination accounting.

IFRS 1 “Deemed Cost” – allows for exploration and evaluation assets costs to be accounted for in cost centres that include all properties in a large geographical area. A first-time adopter using such accounting under previous Canadian GAAP may elect to measure exploration and evaluation assets at the amount determined under the Company’s previous GAAP. The Company plans to elect this exemption and shall continue to test exploration and evaluation assets in the development phases for impairment at the date of transition to IFRS in accordance with IFRS 6 Exploration for and Evaluation of Mineral Resources.

Mandatory exceptions applied

IAS 39 “Financial Instruments” the Company has applied the derecognition of financial assets and liabilities exception requirements prospectively from the transition date. As a result any non-derivative financial assets or non-derivative financial liabilities derecognized prior to the Transition Date in accordance with prechangeover Canadian GAAP have not been reviewed for compliance with IAS 39. The application of this exemption has no impact on the Company.

The estimates previously made by the Company under pre-changeover Canadian GAAP were not revised for the application of IFRS except where necessary to reflect any difference in accounting policy or where there was objective evidence that those estimates were in error. No adjustments for estimates have been made.

IAS 27 was applied prospectively from the Transition Date. Total comprehensive income is attributed to the owners of the parent and the non-controlling interests even if this results in the non-controlling interests having a deficit balance. No adjustment was required.

RECONCILIATION TO PREVIOUSLY REPORTED FINANCIAL STATEMENTS

The following tables provide a reconciliation between the amounts previously reported under Canadian GAAP and those anticipated to be reported in accordance with IFRS and related transitional requirements, based on our analysis to date. A summary of each of the noted changes is included in the notes following the reconciliations of the following Consolidated Balance Sheets and Consolidated Statements of Operations and Comprehensive Income for the dates noted below. The anticipated effects of transition from GAAP to IFRS on the cash flow are not material therefore a reconciliation of cash flows has not been presented. The reconciliations and related adjustments have not been audited by the Company’s external auditor.

Transitional Consolidated Statement of Financial Position Reconciliation – April 1, 2010
Consolidated Interim Statement of Financial Position – September 30, 2010
Consolidated Statement of Financial Position Reconciliation – March 31, 2011
Consolidated Interim Statement of Comprehensive Loss Reconciliation – three months Sept. 30, 2010
Consolidated Interim Statement of Comprehensive Loss Reconciliation – six months Sept. 30, 2010
Consolidated Statement of Comprehensive Loss Reconciliation – March 31, 2011

Transitional Consolidated Statement of Financial Position Reconciliation to IFRS (unaudited) as follows:

	Ref	April 1 2010 CAN GAAP	Effect of Transition to IFRS	**April 1 2010** **IFRS**
ASSETS				
Current assets				
Cash		$ 266,046	$ -	$ 266,046
Marketable securities		8,000		8,000
Receivables		2,668		2,668
Prepaid expenses and deposits		4,588		4,588
Total current assets		281,302	-	281,302
Reclamation bonds		16,656		16,656
Equipment		725		725
Mineral properties and deferred exploration costs		1,671,450		1,671,450
		1,688,831	-	1,688,831
Total assets		$ 1,970,133	$ -	$ 1,970,133
LIABILITIES				
Current liabilities				
Trade payables and accrued liabilities		$ 83,398		$ 83,398
Due to related parties		208,465		208,465
Total current liabilities		291,863	-	291,863
Total liabilities		291,863	-	291,863
Shareholders' equity (deficit)				
Share capital - common		7,926,903		7,926,903
Share subscriptions received		112,500		112,500
Contributed surplus	a	1,009,297	(321,293)	688,004
Accumulated other comprehensive income		(41,000)		(41,000)
Deficit		(7,329,430)	321,293	(7,008,137)
Total shareholders's equity		1,678,270	-	1,678,270
Total equity		1,678,270	-	1,678,270
Total liabilities and equity		$ 1,970,133	$ -	$ 1,970,133

Transitional Consolidated Statement of Financial Position Reconciliation to IFRS (unaudited) as follows:

	Ref	September 30 2010 CAN GAAP	Effect of Transition to IFRS	**September 30 2010 IFRS**
ASSETS				
Current assets				
Cash		$ 467,314	$ -	$ 467,314
Marketable securities		9,750		9,750
Receivables		12,052		12,052
Prepaid expenses and deposits		14,117		14,117
Total current assets		503,233	-	503,233
Reclamation bonds		35,561		35,561
Equipment		568		568
Mineral properties and deferred exploration costs		2,258,520		2,258,520
		2,294,649	-	2,294,649
Total assets		$ 2,797,882	$ -	$ 2,797,882
LIABILITIES				
Current liabilities				
Trade payables and accrued liabilities		$ 5,061		$ 5,061
Due to related parties		140,374		140,374
Total current liabilities		145,435	-	145,435
Total liabilities		145,435	-	145,435
Shareholders' equity (deficit)				
Share capital - common		9,153,621		9,153,621
Share subscriptions received		-		-
Contributed surplus	b, c	1,180,718	(367,510)	813,208
Accumulated other comprehensive income		(39,250)		(39,250)
Deficit	b, c	(7,642,642)	367,510	(7,275,132)
Total shareholders's equity		2,652,447	-	2,652,447
Total equity		2,652,447	-	2,652,447
Total liabilities and equity		$ 2,797,882	$ -	$ 2,797,882

Consolidated Interim Statement of Financial Position Reconciled to IFRS (unaudited) as follows:

	Ref	March 31 2011 CAN GAAP	Effect of Transition to IFRS	March 31 2011 IFRS
ASSETS				
Current assets				
Cash		$ 1,125,690	$ -	$ 1,125,690
Marketable securities		9,500		9,500
Receivables		15,896	-	15,896
Prepaid expenses and deposits		4,955		4,955
Reclamation bonds		15,938	-	15,938
Total current assets		1,171,979	-	1,171,979
Reclamation bonds		21,859		21,859
Equipment		415		415
Mineral properties and deferred exploration costs		1,782,815	-	1,782,815
		1,805,089	-	1,805,089
Total assets		$ 2,977,068	$ -	$ 2,977,068
LIABILITIES				
Current liabilities				
Trade payables and accrued liabilities		$ 220,960	-	$ 220,960
Total current liabilities		220,960	-	220,960
Non-current liability				
Deferred income tax liability	a	-	31,721	31,721
Total liabilities		220,960	31,721	252,681
Shareholders' equity (deficit)				
Share capital - common	a	10,214,397	16,559	10,230,956
Contributed surplus	b, c	1,329,398	(506,869)	822,529
Accumulated other comprehensive income		(39,500)	-	(39,500)
Deficit	b, c	(8,748,187)	458,589	(8,289,598)
Total shareholders's equity		2,756,108	(31,721)	2,724,387
Total liabilities and equity		$ 2,977,068	$ -	$ 2,977,068

The Canadian GAAP Consolidated Statement of Operations and Comprehensive Loss
For The Three Months Ended September 30, 2010 has been reconciled to IFRS (unaudited) as follows:

	Ref	Three Months Ended September 30 2010 CAN GAAP	Effect of Transition to IFRS	**Three Months Ended September 30 2010 IFRS**
EXPENSES				
Amortization		$ 76		$ 76
Consulting		980		980
Investor relation		53,800		53,800
Professional fees		(7,432)		(7,432)
Management fees (Note 8 (b) (ii))		16,200		16,200
Marketing and corporate communications		4,605	-	4,605
Geological consulting		5,986		5,986
Office and miscellaneous		10,875		10,875
Property investigation costs		242		242
Stock-based compensation (Note 9)		12,220	(1,303)	10,917
Salaries and benefits		7,045		7,045
Rent and utilities		2,223		2,223
Transfer agent and regulatory fees		2,688		2,688
Travel and promotion		6	-	6
LOSS BEFORE OTHER ITEMS		109,514	(1,303)	108,211
OTHER ITEMS:				
Foreign currency gain (loss)		(1,327)		(1,327)
Impairment of mineral properties		-	-	-
		(1,327)	-	(1,327)
NET LOSS BEFORE INCOME TAXES		$ 110,841	$ (1,303)	$ 109,538
Deferred income tax recovery (expense)	a	-	-	-
NET LOSS FOR THE YEAR		$ 110,840	$ (1,303)	$ 109,538
LOSS PER COMMON SHARE - Basic and diluted				
From continuing operations		$ (0.00)	$ -	$ (0.00)
Weighted average shares outstanding - Basic and diluted		57,826,941		57,826,941
COMPREHENSIVE LOSS				
Net Loss		$ 110,840	$ (1,303)	$ 109,538
Unrealized loss on marketable securities		(3,250)	-	(3,250)
COMPREHENSIVE LOSS		$ 107,590	$ (1,303)	$ 106,288

The Canadian GAAP Consolidated Statement of Operations and Comprehensive Loss
For The Six Months Ended September 30, 2010 has been reconciled to IFRS (unaudited) as follows:

	Ref	Six Months Ended September 30 2010 CAN GAAP	Effect of Transition to IFRS	**Six Months Ended September 30 2010 IFRS**
EXPENSES				
Amortization		$ 157		$ 157
Consulting		1,286		1,286
Investor relation		93,516		93,516
Professional fees		14,887		14,887
Management fees (Note 8 (b) (ii))		32,400		32,400
Marketing and corporate communications		9,105	-	9,105
Geological consulting		8,758		8,758
Office and miscellaneous		16,186		16,186
Property investigation costs		786		786
Stock-based compensation (Note 9)		95,548	(2,606)	92,942
Salaries and benefits		16,445		16,445
Rent and utilities		4,089		4,089
Transfer agent and regulatory fees		14,529		14,529
Travel and promotion		1,891	-	1,891
LOSS BEFORE OTHER ITEMS		309,583	(2,606)	306,977
OTHER ITEMS:				
Foreign currency gain (loss)		(3,630)		(3,630)
Impairment of mineral properties		-	-	-
		(3,630)	-	(3,630)
NET LOSS BEFORE INCOME TAXES		$ 313,213	$ (2,606)	$ 310,607
Deferred income tax recovery (expense)	a	-	-	-
NET LOSS FOR THE YEAR		$ 313,212	$ (2,606)	$ 310,607
LOSS PER COMMON SHARE - Basic and diluted				
From continuing operations		$ (0.01)	$ -	$ (0.01)
Weighted average shares outstanding - Basic and diluted		56,178,901		56,178,901
COMPREHENSIVE LOSS				
Net Loss		$ 313,212	$ (2,606)	$ 310,607
Unrealized loss on marketable securities		(1,750)	-	(1,750)
COMPREHENSIVE LOSS		$ 311,462	$ (2,606)	$ 308,857

The Canadian GAAP Consolidated Statement of Operations and Comprehensive Loss
For The Year Ended March 31, 2011 has been reconciled to IFRS (unaudited) as follows:

	Ref	March 31 2011 CAN GAAP	Effect of Transition to IFRS	March 31 2011 **IFRS**
EXPENSES				
Amortization		$ 296		$ 296
Consulting		2,128		2,128
Investor relation		175,276		175,276
Professional fees		55,245		55,245
Management fees (Note 8 (b) (ii))		64,800		64,800
Marketing and corporate communications		18,105	-	18,105
Geological consulting		15,484		15,484
Office and miscellaneous		29,785		29,785
Property investigation costs		9,739		9,739
Stock-based compensation (Note 9)		202,587	(3,909)	198,678
Salaries and benefits		29,728		29,728
Rent and utilities		5,074		5,074
Transfer agent and regulatory fees		33,740		33,740
Travel and promotion		3,373	-	3,373
LOSS BEFORE OTHER ITEMS		645,360	(3,909)	641,451
OTHER ITEMS:				
Foreign currency gain (loss)		(4,524)		(4,524)
Impairment of mineral properties		(818,373)	-	(818,373)
		(822,897)	-	(822,897)
NET LOSS BEFORE INCOME TAXES		$ 1,468,257	$ (3,909)	$ 1,464,348
Deferred income tax recovery (expense)	a	49,500	(48,280)	1,220
NET LOSS FOR THE YEAR		$ 1,418,757	$ 44,371	$ 1,463,128
LOSS PER COMMON SHARE - Basic and diluted				
From continuing operations		$ (0.02)	$ -	$ (0.02)
Weighted average shares outstanding - Basic and diluted		59,063,368		59,063,368
COMPREHENSIVE LOSS				
Net Loss		$ 1,468,257	$ (3,909)	$ 1,464,348
Unrealized gain on marketable securities		(1,500)	-	(1,500)
COMPREHENSIVE LOSS		$ 1,466,757	$ (3,909)	$ 1,462,848

The following is a summary of the significant accounting differences considered as part of the IFRS transition project and, where appropriate, the preliminary quantification of the adjustments required as of the transition date and for the comparative period. Completion of the final stages of our project may result in the identification of other adjustments or changes to the amounts presented, and such changes may be material.

Asset impairment

Both Canadian GAAP and IFRS require an entity to undertake quantitative impairment testing where there is an indication of impairment. Further there is a requirement under IFRS for the Company to assess whether indicators of impairment exist at the date of transition to IFRS.

Unlike Canadian GAAP, IFRS requires impairment charges to be reversed if circumstances leading to the impairment no longer exist. The Company has no historic impairment charges which could be reversed as of the transition date.

As at the transition date, there were no indications of impairment under IFRS identified by management, therefore no formal quantitative impairment was undertaken.

Flow-through shares

Under Canadian GAAP, share capital is recorded at net proceeds less the deferred tax liability related to the renounced expenditures. Under the IFRS framework, the increase to share capital when flow-through shares are issued is measured based on the current market price of common shares. The incremental proceeds, or “premium”, are recorded as a deferred charge. When expenditures are renounced, a deferred tax liability is recognized and the deferred charge is reversed. The net amount is recognized as deferred tax expense. On adoption of the IFRS requirements, the Company will record a $32,941 decrease to share capital, a premium liability of $31,721 and a deferred income tax recovery of $1,220

Adjustments on transition to IFRS:

(a) Flow-through shares

On transition to IFRS the Company will record a decrease to share capital, a premium liability and a deferred income tax recovery

Impact on Consolidated Statement of Financial Postion (Unaudited)

	March 31 2011	September 30 2010	June 30 2010	April 1 2010
FIT recovery	$ 49,500	$ -	$ -	$ -
Share capital - common	$ (16,559)	$ -	$ -	$ -
Deferred income tax liability	$ (32,941)	$ -	$ -	$ -
Deferred income tax liability	$ 1,220	$ -	$ -	$ -
Deferred income tax (recovery) expense	$ (1,220)	$ -	$ -	$ -

(b) Share-based payment transactions

On transition to IFRS the Company has elected to change its accounting policy for the treatment of amounts recorded in contributed surplus which relate to stock options which expire unexercised. Under IFRS amounts recorded for expired unexercised stock options will be transferred to deficit on the date of expiry. Previously the Company’s Canadian GAAP policy was to leave such amounts in contributed surplus.

Impact on Consolidated Statement of Financial Postion (Unaudited)

	March 31 2011	September 30 2010	June 30 2010	April 1 2010
Contributed surplus	$ (510,778)	$ (370,116)	$ (370,116)	$ (321,293)
Adjustment to deficit	$ 510,778	$ 370,116	$ 370,116	$ 321,293

(C) Share-based payment transactions

The Company has elected and only reassess the fair value of options that were granted after November 7, 2002 and that have not vested at the date of transition, April 1, 2010.

Impact on Consolidated Statement of Financial Postion (Unaudited)

	March 31 2011	September 30 2010	June 30 2010	April 1 2010
Contributed surplus	$ 3,909	$ 2,606	$ 1,303	$ -
Adjustment to deficit	$ (3,909)	$ (2,606)	$ (1,303)	$ -

A further difference is that IFRS 2 requires that forfeiture estimates are recognized in the period they are estimated and are revised for actual forfeitures in subsequent periods, whereas under the Company's Canadian GAAP policy forfeitures of awards have been recognized as they occur. On application of the IFRS 1 exemption noted previously, this change in accounting was not applied since the forfeiture rate was zero on the unvested awards as of the transition date.

DISCLOSURE CONTROLS AND PROCEDURES OVER FINANCIAL REPORTING

Management has the responsibility for the design and implementation of controls over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the financial statements in accordance with the accounting principles generally accepted in Canada. Based on a review of its internal controls at the end of the year covered by this MD&A, management believes its internal controls and procedures are effective in providing reasonable assurance that financial information is recorded, processed and reported in an accurate and timely manner. There have been no significant changes in the Company's internal control over financial reporting during the period ended September 30, 2011.

Management is responsible for the design and effectiveness of disclosure controls and other procedures to provide reasonable assurance that material information related to the Company is made known to the Company's certifying officers. The Company's Chief Executive Officer and Chief Financial Officer have each evaluated the effectiveness of the Company's disclosure controls as of September 30, 2011 and have concluded these controls and procedures are effective in providing reasonable assurance that material information relating to the Company is made known to them by others within the Company.

GOING CONCERN ISSUE

The Company is in the exploration stage and has no revenue or income from operations. The Company has limited capital resources and has to rely upon the sale of equity and/or debt securities for cash required for exploration and development purposes, for acquisitions and to fund the administration of the Company. Since the Company does not expect to generate any revenues from operations in the near future, it must continue to rely upon the sales of its equity or debt securities or joint venture agreements to raise capital. It follows that there can be no assurance that financing, whether debt or equity, will be available to the Company in the amount required by the Company at any particular time or for any period and that such financing can be obtained on terms satisfactory to the Company.

The Company's financial statements have been 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 for the foreseeable future. The continuing operations of the Company are dependent upon its ability to obtain the necessary financing to meet its ongoing commitments and further its mineral exploration programs.

The Company may encounter difficulty sourcing future financing in light of the recent economic downturn. The current financial equity market conditions and the inhospitable funding environment make it difficult to raise capital through the private placements of shares. The junior resource industry has been severely affected by the world economic situation as it is considered speculative and high-risk in nature, making it even more difficult to fund. While the Company is using its best efforts to achieve its business plans by examining various financing alternatives, there is no assurance that the Company will be successful with any financing ventures.

OTHER INFORMATION

Additional information is available on the Company's website at www.harvestgoldcorp.com.