Bullfrog Gold Corp.
Form 10-Q
November 13, 2012

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

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FORM 10-Q

(Mark One)

x QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For quarterly period ended September 30, 2012

o TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ___________ to ___________

Commission file number 000-54653

BULLFROG GOLD CORP.

(Exact name of registrant as specified in its charter)

Delaware	**41-2252162**
(State or other jurisdiction of	(I.R.S. Employer

incorporation or organization)	Identification No.)
897 Quail Run Drive	
Grand Junction, Colorado	**81505**
(Address of principal executive offices)	(Zip Code)

(970) 628-1670

(Registrant s telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes T No o

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes x No o

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act.

Large accelerated filer	o	Accelerated filer	o
Non-accelerated filer (Do not check if a smaller reporting company)	o	Smaller reporting company	x

Indicate by check mark whether the registrant is a shell company (as defined in 12b-2 of the Exchange Act.) Yes o No x

Indicate the number of shares outstanding of each of the issuer s classes of common stock, as of the latest practicable date: 30,203,846 shares of common stock, par value $0.0001, were outstanding on November 9, 2012.

BULLFROG GOLD CORP.

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BULLFROG GOLD CORP.
(An Exploration Stage Company)

CONSOLIDATED BALANCE SHEETS
September 30, 2012 and December 31, 2011

Assets		9/30/12		12/31/11
Current assets				
Cash and cash equivalents	$	29,005	$	1,815,055
Deposits		10,875		151,125
Prepaid expenses		24,026		46,619
Total current assets		63,906		2,012,799
Other assets				
Mineral properties		975,700		800,700
Total assets	$	1,039,606	$	2,813,499
Liabilities and Stockholders' Equity				
Current liabilities				
Accounts payable	$	56,170	$	61,294
Other liabilities		10,084		10,661
Notes payable		200,000		-
Total current liabilities		266,254		71,955
Warrant liability		151,450		2,361,925
Total liabilities		417,704		2,433,880
Stockholders' equity				
Preferred stock, 50,000,000 shares authorized, $.0001 par value				
Series A 4,586,539 issued and outstanding as of 9/30/12 and 12/31/11, respectively		459		459
Common stock, 200,000,000 shares authorized, $ .0001 par value; 30,153,846 shares				
and 29,897,846 shares issued and outstanding as of 9/30/12 and 12/31/11, respectively		3,015		2,990
Additional paid in capital		4,055,452		3,208,096
		(3,437,024)		(2,831,926)

Deficit accumulated during the exploration stage				
Total stockholders' equity		621,902		379,619
Total liabilities and stockholders' equity	$	1,039,606	$	2,813,499

See accompanying notes to consolidated financial statements

BULLFROG GOLD CORP.
(An Exploration Stage Company)

CONSOLIDATED STATEMENTS OF OPERATIONS
For the Three Months Ended September 30, 2012 and 2011, the Nine Months Ended September 30, 2012 and 2011
and the Cumulative Period from January 12, 2010 (Inception) through September 30, 2012

	Three Months Ended		Nine Months Ended		Inception (January 12, 2010) through
	9/30/12	9/30/11	9/30/12	9/30/11	9/30/12
Revenue	$ -	$ -	$ -	$ -	$ -
Operating expenses					
General and administrative	228,910	162,517	769,022	188,278	1,396,902
Exploration costs	132,624	-	993,136	-	1,131,532
Marketing	215,510	23,464	1,053,415	23,464	1,428,268
Total operating expenses	577,044	185,981	2,815,573	211,742	3,956,702
Net operating loss	(577,044)	(185,981)	(2,815,573)	(211,742)	(3,956,702)
Gain on forgiveness of debt	-	28,499	-	28,499	28,499
Interest expense	-	(6,539)	-	(18,941)	(29,299)
Revaluation of warrant liability	996,618	-	2,210,475	-	520,478
Net income (loss)	$ 419,574	$ (164,021)	$ (605,098)	$ (202,184)	$ (3,437,024)
Weighted average common shares outstanding - basic	30,120,879	11,078,539	29,982,436	9,283,974	
Weighted average common shares outstanding - diluted	34,707,418	11,078,539	29,982,436	9,283,974	
Earnings (loss) per common share - basic	$ 0.01	$ (0.01)	$ (0.02)	$ (0.02)	
Earnings (loss) per common share - diluted	$ 0.01	$ (0.01)	$ (0.02)	$ (0.02)	

See accompanying notes to consolidated financial statements

BULLFROG GOLD CORP.
(An Exploration Stage Company)

CONSOLIDATED STATEMENTS OF CASH FLOWS
For the Nine Months Ended September 30, 2012 and 2011, and the Cumulative Period from January 12, 2010 (Inception) through September 30, 2012

	Nine Months Ended 9/30/12	Nine Months Ended 9/30/11	Inception (January 12, 2010) through 9/30/12
Cash flows from operating activities			
Net loss	$ (605,098)	$ (202,184)	$ (3,437,024)
Adjustments to reconcile net loss to net cash used in operating activities			
Gain on forgiveness of debt	-	(28,499)	(28,499)
Revaluation of warrant liability	(2,210,475)	-	(520,478)
Stock-based compensation	695,131	-	1,087,320
Stock issued for services	152,250	-	152,250
Change in operating assets and liabilities:			
Cash in trust account	-	2,521	-
Receivable from pre-merger Bullfrog	-	48,637	48,637
Deposits	140,250	-	40,489
Prepaid expenses	22,593	(16,305)	(24,026)
Accounts payable	(5,124)	53,606	56,170
Other liabilities	(577)	(4,179)	(3,299)
Accrued interest	-	18,941	28,499
Net cash used in operating activities	(1,811,050)	(127,462)	(2,599,961)
Cash flows from investing activity			
Acquisition of property	(175,000)	-	(325,000)
Net cash used in investing activity	(175,000)	-	(325,000)
Cash flows from financing activities			
Proceeds from sales of common stock	-	545	3,066
Proceeds from private placement of common stock, preferred stock and warrants	-	2,710,000	2,710,000
Proceeds from notes payable	200,000	10,100	270,900
Repayment of notes payable	-	-	(30,000)
Net cash provided by financing activities	200,000	2,720,645	2,953,966
Net increase (decrease) in cash and cash equivalents	(1,786,050)	2,593,183	29,005
Cash and cash equivalents, beginning of period	1,815,055	-	-

Cash and cash equivalents, end of period	$ 29,005	$2,593,183	$ 29,005
Noncash investing and financing activities			
Issuance of common stock for acquisition of mineral property		$ 400	$ 700
Issuance of note payable for acquisition of mineral property		$ 550,000	$ 650,000
Issuance of note payable for receivable from pre-merger Bullfrog		$ 250,000	$ 250,000
Conversion of notes payable to common stock, preferred stock and warrants in private placement		$ 940,900	$ 940,900
Contribution of deposits by shareholder			$ 51,364

See accompanying notes to consolidated financial statements

BULLFROG GOLD CORP.

Notes to Consolidated Financial Statements

NOTE 1 - NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

<u>Nature of Business and Reverse Merger and Recapitalization</u>

On September 30, 2011, Standard Gold Corp. (Standard Gold) entered into a Merger Agreement (the Merger) with a public shell company, Bullfrog Gold Corp. (Bullfrog Gold), formerly known as Kopr Resources Corp. pursuant to which Standard Gold merged with and into a wholly owned subsidiary of Bullfrog Gold as more fully described in Note 2. Such Merger caused Standard Gold to become a wholly-owned subsidiary of Bullfrog Gold. The Merger is being accounted for as a reverse-merger and recapitalization and Standard Gold is considered the accounting acquirer for accounting purposes and Bullfrog Gold the acquired company. The business of Standard Gold became the business of Bullfrog Gold. Consequently, the assets and liabilities and the operations reflected in the historical financial statements prior to the Merger are those of Standard Gold and are recorded at the historical cost basis of Standard Gold. Bullfrog Gold Corp. along with Standard Gold Corp. is referred to hereafter as the Company .

REVERSE STOCK SPLIT

On March 17, 2011 the Board of Directors of Bullfrog Gold unanimously adopted resolutions approving the Certificate of Amendment to the Certificate of Incorporation to effect a reverse stock split in the ratio of 1 for 5.75 for the common stock of Bullfrog Gold that was issued and outstanding as of April 4, 2011. The par value and total number of authorized shares were unaffected by the reverse stock split. All shares and per share amounts in these financial statements and notes thereto have been retrospectively adjusted to all periods presented to give effect to the reverse stock split.

FORWARD STOCK SPLIT

On July 19, 2011, Bullfrog Gold's board of directors authorized a 51.74495487 for one forward split of its outstanding common stock in the form of a dividend, whereby an additional 50.74495487 shares of common stock, par value $0.0001 per share, was issued on each one share of common stock outstanding as of July 25, 2011. All shares and per share amounts in these financial statements and notes thereto have been retrospectively adjusted to all periods presented to give effect to the forward stock split.

Bullfrog Gold was incorporated under the laws of the State of Delaware on July 23, 2007 as Kopr Resources Corp. On July 19, 2011, the Company s board of directors approved the filing on an Amended and Restated Certificate of Incorporation of Bullfrog Gold with the Secretary of State of the State of Delaware to authorize (i) the change of the name of the Company to "Bullfrog Gold Corp." from "Kopr Resources Corp.   (ii) the increase in the authorized capital stock to 250,000,000 shares and (iii) the change in par value of the capital stock to $0.0001 per share. The Company is in the exploration stage of its resource business. On July 19, 2011, the Company s board of directors also approved the amendment and restatement of bylaws in order to, among other things, include provisions for board and shareholder meetings.

The Company is a junior exploration company primarily engaged in the acquisition and exploration of properties that may contain gold mineralization in the United States. The Company s target properties are those that have been the subject of historical exploration. The Company has acquired State exploration permits and Federal patented and unpatented mining claims in the states of Arizona and Nevada for the purpose of exploration and potential development of gold, silver and other minerals on a total of approximately 9,850 acres. In June 2012 the Company did not renew one of the four state exploration permits in Arizona for the Newsboy Project. This reduced the land holdings at the Newsboy project from approximately 5,240 acres to approximately 4,920 acres. In June 2012 the Company acquired the option to purchase the Klondike Project in Nevada that included 64 unpatented claims to which the Company added an additional 168 claims, or a total of 4,640 acres. See Note 4 in the Notes to Consolidated Financial Statements for additional details concerning the Klondike Project. The Company plans to review opportunities and acquire additional mineral properties with current or historic precious and base metal mineralization with meaningful exploration potential.

The Company s properties do not have any reserves. The Company plans to conduct exploration programs on these properties with the objective of ascertaining whether any of its properties contain economic concentrations of precious and base metals that are prospective for mining.

Interim Disclosure

The condensed consolidated financial statements included herein have been prepared, without audit, pursuant to the rules and regulations of the Securities and Exchange Commission ("SEC"). Certain information and footnote disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States have been condensed or omitted pursuant to such rules and regulations. The Company's management believes that the disclosures are adequate to make the information presented not misleading. These condensed financial statements should be read in conjunction with the financial statements and the notes thereto included in the Company's Annual Report on Form 10-K for the year ended December 31, 2011.

The interim period information included in this Quarterly Report on Form 10-Q reflects all adjustments, consisting of normal recurring adjustments, that are, in the opinion of the Company's management, necessary for a fair statement of the results of the respective interim periods. Results of operations for interim periods are not necessarily indicative of results to be expected for an entire year.

Principles of Consolidation

The consolidated financial statements include the accounts of Bullfrog Gold Corp., as of the date of the reverse merger, and its wholly owned subsidiary, Standard Gold Corp. All significant inter-entity balances and transactions have been eliminated in consolidation.

Going Concern and Management s Plans

The Company has incurred losses from operations since inception and has an accumulated deficit of $–––––––––––––3,437,024 as of September 30, 2012. The Company s financial statements have been prepared on the basis that it is a going concern, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The Company s continuation as a going concern is dependent upon attaining profitable operations through achieving revenue growth. However, the Company will now have additional expenses as a result of it being a public company. The September 30, 2011 closing of the private placement of the Company s securities for $3,650,900 (the Private Placement) included the conversion of debt owed by the Company in the aggregate amount of $940,900 which was converted on a dollar for dollar basis. The Company believes it will need to find additional sources of financing to meet its obligations through December 31, 2012. There are no assurances that the Company will be successful in meeting its cash flow requirements. We are currently in the due diligence stage of negotiating a debt facility that will finance the general and administrative expense along with the projected costs of exploring the Newsboy project through 2013. In addition, we are seeking additional financing of approximately $2,000,000 of private equity financing to fund our general corporate expenses as well as investor relation programs.

Cash and Cash Equivalents and Concentration

The Company considers all highly liquid investments with a maturity of three months or less when acquired to be cash equivalents. The Company places its cash with a high credit quality financial institution. The Company s account at this institution is insured by the Federal Deposit Insurance Corporation ("FDIC") up to $250,000. In addition to the basic insurance deposit coverage, the FDIC is providing temporary unlimited coverage for non-interest bearing transaction accounts through December 31, 2012. At September 30, 2012, the Company s cash balance was approximately $29,000. To reduce its risk associated with the failure of such financial institution, the Company will evaluate at least annually the rating of the financial institution in which it holds deposits.

Use of Estimates

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

Mineral Property Acquisition and Exploration Costs

Mineral property acquisition and exploration costs are expensed as incurred until such time as economic reserves are quantified. To date, the Company has not established any proven or probable reserves on its mineral properties.

Exploration Stage Company

The Company complies with Accounting Standards Codification (ASC) 915-235-50 and Securities and Exchange Commission Act Guide 7 for its characterization of the Company as an exploration stage enterprise.

Fair Value Measurement

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. There are three levels of inputs that may be used to measure fair value:

- Level 1 - Valuation based on quoted market prices in active markets for identical assets and liabilities.
- Level 2 - Valuation based on quoted market prices for similar assets and liabilities in active markets.
- Level 3 - Valuation based on unobservable inputs that are supported by little or no market activity, therefore requiring management s best estimate of what market participants would use as fair value.

The Company does not have any assets or liabilities measured using Level 1 or 2 inputs. The Company s Level 3 financial liabilities measured at fair value consisted of the warrant liability as of September 30, 2012. See Note 3.

Fair Value of Financial Instruments

The respective carrying value of certain on-balance-sheet financial instruments approximated their fair values due to the short-term nature of these instruments. These financial instruments include cash and cash equivalents, accounts payable, and other liabilities and the warrant liability is already recorded at fair value.

Income Taxes

Income taxes are accounted for under the asset and liability method in accordance with ASC 740*, "Income Taxes"*. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial carrying amounts of existing assets and liabilities and their respective tax bases as well as operating loss and tax credit carry forwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the periods 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 income in the period that includes the enactment date. Deferred tax assets are reduced by a valuation allowance to the extent that the recoverability of the asset is unlikely to be recognized.

The Company reports a liability, if any, for unrecognized tax benefits resulting from uncertain tax positions taken, or expected to be taken, in an income tax return. The Company has elected to classify interest and penalties related to unrecognized income tax benefits, if and when required, as part of income tax expense in the statement of operations. No liability has been recorded for uncertain income tax positions, or related interest or penalties as of September 30, 2012 or December 31, 2011. The periods ended December 31, 2011 and 2010 are open to examination by taxing authorities.

Long Lived Assets

The Company assesses the impairment of long-lived assets whenever events or changes in circumstances indicate that the carrying value may not be recoverable. When the Company determines that the carrying value of long-lived assets may not be recoverable based upon the existence of one or more indicators of impairment and the carrying value of the asset cannot be recovered from projected undiscounted cash flows, the Company records an impairment charge. The Company measures any impairment based on a projected discounted cash flow method using a discount rate determined by management to be commensurate with the risk inherent in the current business model. Significant management judgment is required in determining whether an indicator of impairment exists and in projecting cash flows.

Preferred Stock

The Company accounts for its preferred stock under the provisions of Accounting Standards Codification on *Distinguishing Liabilities from Equity*, which sets forth the standards for how an issuer classifies and measures certain financial instruments with characteristics of both liabilities and equity. This standard requires an issuer to classify a financial instrument that is within the scope of the standard as a liability if such financial instrument embodies an unconditional obligation to redeem the instrument at a specified date and/or upon an event certain to occur. The Company has determined that its preferred stock does not meet the criteria requiring liability classification as its obligation to redeem these instruments is not based on an event certain to occur. Future changes in the certainty of the Company s obligation to redeem these instruments could result in a change in classification.

Derivative Financial Instruments

The Company accounts for derivative instruments in accordance with FASB ASC 815, *Derivatives and Hedging* (ASC 815), which requires additional disclosures about the Company s objectives and strategies for using derivative instruments, how the derivative instruments and related hedged items are accounted for, and how the derivative instruments and related hedging items affect the financial statements. The Company does not use derivative instruments to hedge exposures to cash flow, market or foreign currency risk. Terms of convertible debt and equity instruments are reviewed to determine whether or not they contain embedded derivative instruments that are required under ASC 815 to be accounted for separately from the host contract, and recorded on the balance sheet at fair value. The fair value of derivative liabilities, if any, is required to be revalued at each reporting date, with corresponding changes in fair value recorded in current period operating results. Pursuant to ASC 815, an evaluation of specifically identified conditions is made to determine whether the fair value of warrants issued is required to be classified as equity or as a derivative liability.

Stock-Based Compensation

Stock-based compensation is accounted for based on the requirements of the Share-Based Payment Topic of ASC 718 which requires recognition in the consolidated financial statements of the cost of employee and director services received in exchange for an award of equity instruments over the period the employee or director is required to perform the services in exchange for the award (presumptively, the vesting period). The ASC also requires measurement of the cost of employee and director services received in exchange for an award based on the grant-date fair value of the award.

The estimated fair value of each stock option as of the date of grant was calculated using the Black-Scholes pricing model. The Company estimates the volatility of its common stock at the date of grant based on the volatility of a comparable peer company which is publicly traded. The Company determines the expected life based on historical experience with similar awards, giving consideration to the contractual terms, vesting schedules and post-vesting forfeitures. The Company uses the risk-free interest rate on the implied yield currently available on U.S. Treasury issues with an equivalent remaining term approximately equal to the expected life of the award. The Company has never paid any cash dividends on its common stock and does not anticipate paying any cash dividends in the foreseeable future. The shares of stock subject to the stock-based compensation plan shall consist of unissued shares, treasury shares or previously issued shares held by any Subsidiary of the Company, and such number of shares of stock are reserved for such purpose.

Earnings (Loss) per Common Share

The following table shows basic and diluted earnings per share

	Three Months Ended		Nine Months Ended	
	9/30/12	9/30/11	9/30/12	9/30/11
Basic and Diluted Earnings (Loss) per Common Share				
Earnings (loss) per common share	$419,574	$(164,021)	$(605,098)	$(202,184)
Basic weighted average shares outstanding	30,120,879	11,078,539	29,982,436	9,283,974
Dilutive effect of common stock equivalents	13,210,164	-	-	-
Diluted weighted average common shares outstanding, assuming conversion of common stock equivalents	34,707,418	11,078,539	29,982,436	9,283,974
Basic Earnings (Loss) Per Common Share	.01	(.01)	(.02)	(.02)
Diluted Earnings (Loss) Per Common Share	.01	(.01)	(.02)	(.02)

4,586,539 of preferred shares were included in the computation of diluted shares outstanding for the three months ended September 30, 2012. 4,060,000 of stock options and 4,563,625 of warrants were not included in the diluted weighted average shares calculation because they were out-of-the money for the three month period ending September 30, 2012. In periods where the Company has a net loss, all common stock equivalents are excluded as they would be anti-dilutive.

NOTE 2 - STOCKHOLDER S EQUITY

Pre-Reverse Merger Transactions

In 2010, Standard Gold began negotiations to acquire a 90% interest in property located near Beatty, Nevada (the Bullfrog Project) owned by NPX Metals, Inc. (NPX Metals). As of December 31, 2010, Standard Gold had issued 923,077 shares of common stock as consideration for the property interest

The remaining 10% interest in the Bullfrog Project was acquired by Standard Gold from Bull Frog Holdings Inc. in June, 2010 in exchange for $100,000 cash paid directly by one of Standard Gold s lenders. Bull Frog Holdings, Inc. is an affiliate of NPX Metals.

On May 1, 2011, Standard Gold entered into a final agreement whereby Standard Gold acquired all of the working interest in the Bullfrog Project for a total consideration of a 3% net smelter return royalty due to NPX Metals.

Between July and August 25, 2011, Standard Gold issued a total of 1,678,612 common shares for cash consideration of $545. Such shares are reflective of a reverse split of Standard Gold s common stock, effective August 26, 2011, on a 1 for 3.25 basis. All share data in the accompanying financial statements and notes have been retroactively restated to reflect the reverse split.

On August 30, 2011, Standard Gold entered into an Agreement of Conveyance, Transfer and Assignment with Aurum National Holdings Ltd. (Aurum), pursuant to which the Company purchased an option held by Aurum under that certain Option to Purchase and Royalty Agreement dated as of August 13, 2009 and as amended on June 30, 2011, between Aurum and Southwest Exploration, Inc. (Southwest), which gave Aurum the option to purchase a 100% right, title and interest in and to certain mineral claims in Arizona known as the Newsboy Project . In consideration for the assignment of the option, Standard Gold issued to Aurum and its designees an aggregate of 4,000,000 shares of its common stock. In addition Aurum had made deposits to vendors that were transferred to the Company to be applied to future expenses. Of these payments, $6,364 was paid back to the Company in October 2011 and $45,000 was applied to exploration costs in November 2011.

On September 28, 2011, Standard Gold and Southwest entered into an Option to Purchase and Royalty Agreement pursuant to which Southwest granted to Standard Gold, the sole and immediate working right and option to earn a One Hundred Percent (100%) interest in and to the Newsboy Project property free and clear of all charges encumbrances and claims in consideration for $3,425,000, of which $500,000 was previously paid by a third party (the Prepayment Amount). The balance due to Southwest as of September 28, 2011 (the date of the agreement) of $2,925,000 is payable on the following schedule:

(i) on January 1, 2012, the sum of US $150,000.00; July 1, 2012 the sum of US $150,000.00;
(ii) on January 1, 2013, the sum of US $200,000.00; July 1, 2013 the sum of US $200,000.00;
(iii) on January 1, 2014, the sum of US $250,000.00; July 1, 2014 the sum of US $250,000.00;
(iv) on January 1, 2015, the sum of US $300,000.00; July 1, 2015 the sum of US $300,000.00;
(v) on January 1, 2016, the sum of US $350,000.00; July 1, 2016 the sum of US $350,000.00; and
(vi) on January 1, 2017, the sum of US $425,000.00.

The first option payment of $150,000 was paid in December 2011 and the second option payment of $150,000 was paid in June 2012. Upon the full payment of the balance of $2,625,000, the option will be considered automatically exercised and the Company will have earned a 100% interest in and to the Newsboy Project property free and clear of all liens and encumbrances. Notwithstanding the foregoing, the Company is obligated to pay a Net Smelter Royalty payment equal to two percent (2%) of the proceeds from the sale or other disposition from any purchaser of any mineral derived from the ore mined from the Newsboy Project property. To retain the property, the Company must also pay the annual claim maintenance fees and file a Notice of Intent to Hold with the Bureau of Land Management and Maricopa County. The Company must also make annual payments for the lands leased from the State of Arizona. Should the Company choose not to maintain the working right and option to the property, the Company can forego future payments to Southwest without penalty. A total of $500,000 was paid to Southwest as part of the option to purchase agreement by third parties, which converted into an aggregate of 1,250,000 Units in the Private Placement. These payments have been recorded as increases to mineral property on the balance sheet.

In addition to the above payments, $50,000 was paid to Southwest by a third party for additional direct costs of acquiring the mineral property which converted into an aggregate of 125,000 Units in the Private Placement. This payment is included as an increase to mineral property on the balance sheet.

Reverse Merger Transaction

On September 30, 2011, the Company entered into an Agreement of Merger and Plan of Reorganization (the Merger Agreement) with Standard Gold, a privately held Nevada corporation, and Bullfrog Gold Acquisition Corp., the Company s newly formed, wholly-owned Delaware subsidiary (Acquisition Sub), pursuant to which Standard Gold merged with and into Acquisition Sub, with Standard Gold as the surviving entity, causing Standard Gold to become the Company s wholly-owned subsidiary (the Merger).

Pursuant to the terms and conditions of the Merger Agreement, at the closing of the Merger, an aggregate of 14,357,135 shares of Standard Gold s common stock issued and outstanding immediately prior to the closing of the Merger were converted into securities of the Company based on the following breakdown: (i) 13,645,596 of the shares of Standard Gold s outstanding common stock were converted into the right to receive an aggregate of 13,645,596 shares of the Company s common stock on a one for one basis and (ii) an aggregate of 711,539 of the issued and outstanding shares of common stock of Standard Gold immediately prior to the closing of the Merger was converted into the right to receive an aggregate of 711,539 shares of the Company s Series A Convertible Preferred Stock on a one for one basis (the Series A Preferred Stock), which is convertible into shares of the Company s common stock on a one for one basis.

Private Placement

Following the closing of the Merger, the Company sold an aggregate of 9,127,250 units in a Private Placement (the Private Placement) at a per unit price of $0.40, with each unit consisting of (i) one share of the Company s common stock (except that certain investors elected to receive in lieu of common stock, one share of the Company s Series A Convertible Preferred Stock) and (ii) a three year warrant to purchase shares of common stock equal to 50% of the number of shares purchased in the Private Placement at an exercise price of $0.60 per share. The Company sold a total of 5,252,250 units consisting of common shares and a total of 3,875,000 units consisting of Series A Preferred Stock, resulting in total proceeds of $3,650,900. The Private Placement includes the conversion of debt owed by the Company in the aggregate amount of $940,900 which was converted on a dollar for dollar basis into the Private Placement. Net of converted debt, the Private Placement generated cash proceeds of $2,710,000. The net proceeds were allocated based on the relative fair values of the common stock or preferred stock and the warrants on the date of issuance. As of September 30, 2011 the allocated fair value of the 4,563,625 warrants was $671,928 and the balance of the proceeds of $2,978,972 was allocated to common stock or preferred stock as applicable. See Note 3.

The Company entered into registration rights agreements (the Registration Rights Agreements) with the investors in the Private Placement. Effective March 16, 2012, the Company and holders of the majority of Registrable Securities (as defined in the Registration Rights Agreement) agreed to amend the definitions of Filing Date and Effectiveness Date , as such terms are defined in the Registration Rights Agreement, such that Filing Date shall mean 12 months after the Trigger Date and Effectiveness Date shall mean eighteen months after the Trigger Date. On November 9, 2012 the S1 Registration Statement was filed with the SEC. As of November 9, 2012 the S1 Registration Statement has not been made effective.

Split-Off

Immediately following the closing of the Merger and the Private Placement, under the terms of an Agreement of Conveyance, Transfer and Assignment of Assets and Assumption of Obligations, the Company transferred substantially all of its pre-Merger assets and liabilities to its wholly owned subsidiary, Kopr Resources Holdings, Inc., a Delaware corporation (SplitCo). Thereafter, pursuant to a Stock Purchase Agreement, the Company transferred all of the outstanding capital stock of SplitCo to a former officer and director of the Company in exchange for cancellation of an aggregate of 22,510,919 shares of the Bullfrog Gold s pre-merger common stock held by such person (the Split-Off), which left 11,000,000 shares of the Company s common stock held by persons who were stockholders of Bullfrog Gold prior to the Merger. Of these shares, 9,000,000 shares constituted the Company s public float prior to the Merger that will continue to represent the shares of the Company s common stock eligible for resale without further registration by the holders thereof, until such time as the applicability of Rule 144 or other exemption from registration under the Securities Act of 1933, as amended (the Securities Act), or the effectiveness of a further registration statement under the Securities Act, permits additional sales of issued shares.

As part of the reverse merger, the Company retained $13,383 of Bullfrog Gold s pre-merger liabilities. In addition, Bullfrog Gold owed Standard Gold $201,363 at the merger date due to its collection of proceeds from a Standard Gold note payable. As a result of the merger, the combined $214,746 related to these balances has been recorded as a reduction in additional paid-in-capital. If the merger had occurred on the inception date of the Company, the net loss of the combined entity for all periods presented would not differ materially from what is already reported.

Common Stock Options

On September 30, 2011, the Company s Board of Directors and stockholders adopted the 2011 Stock Incentive Plan (the 2011 Plan). Under the 2011 Plan, options may be granted which are intended to qualify as Incentive Stock Options under Section 422 of the Internal Revenue Code of 1986 (the "Code") or which are not intended to qualify as Incentive Stock Options thereunder. In addition, direct grants of stock or restricted stock may be awarded. The 2011 Plan has reserved 4,500,000 shares of common stock for issuance. All options issued are nonqualified stock options as amended on December 19, 2011. The modification to the option agreements increased the vesting period for only certain option agreements from one year to two years. The incremental cost associated with the differential in fair value at the modification date was not material. The option agreements are exercisable as follows in 20% increments:

Date Installment Becomes Exercisable
December 19, 2011
March 31, 2012
September 30, 2012
March 31, 2013
September 30, 2013

A summary of stock options is presented below:

Recipient	Options	Strike Price	Term	
Officer	1,250,000	$0.40	10 years	(1)
Officer	200,000	$0.40	10 years	
Consultant	50,000	$0.40	10 years	
Consultant	160,000	$0.40	10 years	
Consultant	600,000	$0.40	10 years	
Consultant	600,000	$0.40	10 years	
Director	1,200,000	$0.40	10 years	(2)
TOTAL	4,060,000			

(1) Issued to David Beling, the Company's Chief Executive Officer and President.
(2) Issued to Alan Lindsay, the Company's Chairman of the Board of Directors.

Using the Black Scholes option pricing model the following assumptions were made to estimate the fair value of the stock options:

Options	Exercise Price	Volatility	Risk Free Interest Rate	Fair Value
4,060,000	$ 0.40	78.5%	1.74%	$ 1,812,203

At September 30, 2012, there was unrecognized compensation expense related to these stock options of $724,881, which is expected to be recognized over a weighted average period of 1 year.

A summary of the stock options as of September 30, 2012 and changes during the period are presented below:

	Number of Options	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life (Years)	Aggregate Intrinsic Value
Balance at December 31, 2011	4,060,000	$ 0.40	9.75	$2,233,000
Granted	-	-	-	
Exercised	-	-	-	
Forfeited	-	-	-	
Cancelled	-	-	-	
Balance at September 30, 2012	4,060,000	$ 0.40	9.00	
Options exercisable at September 30, 2012	2,436,000	$ 0.40	9.00	
Options expected to vest	4,060,000			

Convertible Preferred Stock

In August 2011, the Board of Directors designated 5,000,000 shares of its Preferred Stock as Series A Preferred Stock. Each share of Series A Preferred Stock is convertible into one share of common stock at the option of the preferred holder. The Series A Preferred Stock in not entitled to receive dividends and does not possess redemption rights. The Company is prohibited from effecting the conversion of the Series A Preferred Stock to the extent that, as a result of the conversion, the holder of such shares beneficially owns more than 4.99% (or, if this limitation is waived by the holder upon no less than 61 days prior notice to us, 9.99%) in the aggregate of the issued and outstanding shares of our common stock calculated immediately after giving effect to the issuance of shares of common stock upon conversion of the Series A Preferred Stock. The holders of the Company s Series A Preferred Stock are also entitled to certain liquidation preferences upon the liquidation, dissolution or winding up of the business of the Company.

Additional Stock Issued

During the period July 1, 2012 through September 30, 2012 there were 100,000 shares issued on July 3, 2012 to a third party consultant for providing the Company with various investor relation services.

NOTE 3 - DERIVATIVE FINANCIAL INSTRUMENTS

In applying current accounting standards to the financial instruments issued in the Private Placement, the Company first considered the classification of the Series A Preferred Stock under ASC 480 *Distinguishing Liabilities from Equity*, and the Warrants under ASC 815 *Derivatives and Hedging*. The Series A Preferred Stock is perpetual preferred stock without redemption or dividend provisions, contingent or otherwise. Further, the Series A Preferred Stock is convertible into a fixed number of shares of Common Stock with adjustments to the conversion price solely associated with equity restructuring events such a stock splits and recapitalization. Generally redemption provisions that provide for the mandatory payment of cash to the Investor to settle the contract or certain provisions that cause the number of linked shares of Common Stock to vary result in liability classification; and, in some instances, classification outside of stockholders equity. There being no such provisions associated with the Series A Preferred Stock, it is classified as a component of stockholders equity. The warrants were also evaluated for purposes of classification. These financial instruments embody two features that are not consistent with the concept of stockholders equity. First, the exercise price of $0.60 is subject to adjustment upon the issuance of common stock or common share linked contracts at prices below the contractual exercise prices. Second, the financial instruments extend a fair-value (defined as Black-Scholes) cash redemption right to the Investors in the event of certain fundamental transactions, certain of which are not within the control of the Company. This particular provision is a written put and current accounting standards provide that such provisions are not consistent with the concept of stockholders equity. As a result, the Warrants require classification in liability as derivative warrants. Derivative warrants are carried both initially and subsequently at fair value with changes in fair value reflected in income.

		Warrant Liability Amount
Balance at December 31, 2011	$	2,361,925
Exercise or expiration		--
Change in fair value of warrant liability		(2,210,475)
Ending balance at September 30, 2012	$	151,450

The derivative warrants were calculated using Black-Scholes valuation technique. Significant inputs into this technique are as follows:

	Inception	December 31, 2011	September 30, 2012
Fair market value of common stock	$0.60	$0.95	$0.24
Exercise price	$0.60	$0.60	$0.60
Term (1)	3 Years	2.75 Years	2.00 Years
Volatility range (2)	68.5%	63.9%	69.7%
Risk-free rate (3)	0.50%	0.50%	0.25%

(1) The term is the remaining years until expiration of warrants.

(2) The Company does not have a trading market value upon which to base its forward-looking volatility. Accordingly, the Company selected a peer company that provided a reasonable basis upon which to calculate volatility.

(3) The risk-free rate used represents the yield on zero coupon US Government Securities with a period to maturity consistent with the interval described in (2), above.

Warrants contain limitations on exercise, including the limitation that the holders may not convert their warrants to the extent that upon exercise the holder, together with its affiliates, would own in excess of 4.99% of our outstanding shares of common stock (subject to an increase upon at least 61-days notice by the subscriber to us, of up to 9.99%). For a period of twelve months from the date of issuance, the warrants issued in the Private Placement contain standard anti-dilution protection in the event the Company s issues common stock at a lower per share price. The warrants may be exercised on a cashless basis in the event there is no effective registration statement registering the resale of the underlying common stock at any time after the Effectiveness Date.

The second classification-related accounting consideration related to the possibility that the conversion option embedded in the Series A Preferred Stock may require classification outside of stockholders equity. Generally, an embedded feature in a hybrid financial instrument (such as the Series A Preferred Stock) that both meets the definition of a derivative financial instrument and is not clearly and closely related to the host contract in term of risks would require bifurcation and accounting under derivative standards. The embedded conversion option is a feature that embodies risks of equity. The Company has concluded that the Series A Preferred Stock is a contract that affords solely equity risks.

NOTE 4 - ACQUISITION OF OPTION TO PURCHASE KLONDIKE PROJECT

On June 11, 2012, the Company entered into an option agreement with Arden Larson to purchase a 100% interest in the Klondike Project (Klondike) that included 64 unpatented mining claims, to which the Company recently staked an additional 100 claims. Klondike is located in the Alpha Mining District about 40 miles north of Eureka, Nevada.

The Company will pay a total of $575,000 to Mr. Larson on the following schedule:

Payment Date	Payment Amount
Effective Date (June 11, 2012)	$25,000
Six months after Effective Date	$25,000
June 11, 2013	$30,000
June 11, 2014	$35,000
June 11, 2015	$40,000
June 11, 2016	$45,000
June 11, 2017	$50,000
June 11, 2018	$55,000
June 11, 2019	$60,000
June 11, 2020	$65,000
June 11, 2021	$70,000
June 11, 2022	$75,000

The Company has the option to buy-down the royalty component by making payments of $500,000 per 0.25% of base net smelter return royalties for gold, silver and other products to Mr. Larson based on the following schedule:

Product	Base net smelter return royalty	Average market price	Maximum buy-down net smelter return royalty
GOLD	1.00	Less than $1,200/troy oz.	0.50
	1.50	$1,201 to $1,600/troy oz.	0.75
	2.00	$1,601 to $2,000/troy oz.	1.00
	2.50	$2,001 to $2,400/troy oz.	1.25
	3.00	$2,401 to $2,800/troy oz.	1.50
	3.50	$2,801 to $3,200/troy oz.	1.75
	4.00	Greater than $3,200/troy oz.	2.00
SILVER	1.00	Less than $15/troy oz.	0.50
	1.50	$15.01 to $30/troy oz.	0.75
	2.00	$30.01 to $45/troy oz.	1.00
	2.50	$45.01 to $60/troy oz.	1.25
	3.00	$60.01 to $75/troy oz.	1.50
	3.50	$75.01 to $90/troy oz.	1.75
	4.00	Greater than $90/troy oz.	2.00
OTHER	2.00	As determined by products	1.00

In addition, the Company is committed to spend no less than $850,000 for the benefit of the Klondike Project on the following schedule:

1. $100,000 prior to June 11, 2013
2. An additional $150,000 prior to June 11, 2014
3. An additional $200,000 prior to June 11, 2015
4. An additional $200,000 prior to June 11, 2016
5. An additional $200,000 prior to June 11, 2017

Should the Company choose not to maintain the work commitment and option to the property, the Company can forego future payments to Mr. Larson without penalty.

NOTE 5 - NOTE PAYABLE

On September 5, 2012, the Company issued and sold to an accredited investor a Promissory Note (the Promissory Note) in the principal amount of $200,000. The Promissory Note accrues interest at the rate of three percent (3%) per month, on a 360 day per year basis. The Promissory Note matures on October 1, 2012 (the Initial Maturity Date). On the Initial Maturity Date, the Company may extend the Initial Maturity Date from October 1, 2012 to October 15, 2012 (the Initial Extension Maturity Date) by paying to the Holder an initial note extension payment equal to 50,000 shares of the Company s common stock, par value $0.0001 per share (the Common Stock) issuable on the date such extension is elected (the Initial Extension Payment).

Furthermore, if the Initial Maturity Date of the Note is extended to the Initial Maturity Extension Date and, on such date, the Company fails to pay the principal amount of the Promissory Note, along with all accrued but unpaid interest thereon, then the Initial Extension Maturity Date shall automatically be extended to December 1, 2012 (the Second Maturity Date). If the Promissory Note is automatically extended to the Secondary Maturity Date, then the Company shall pay to the holder of the Promissory Note an extension payment equal to 100,000 shares of Common Stock (the Extension Payment).

The Company may prepay the Promissory Note, in whole or in part, at any time prior to Initial Extension Maturity Date, or the Second Maturity Date, as then applicable, by paying a prepayment penalty to the Holder equal to 100,000 shares of the Common Stock (the Prepayment Penalty). However, in the event the Company is required to pay the Extension Payment, any Prepayment Penalty that the Company would otherwise be required to pay to the holder of the Note will be waived.

As of November 9, 2012, the Company has issued 50,000 shares of Common Stock as required by the Promissory Note. The Company intends to issue the Extension Payment of $100,000 shares on December 1, 2012.

NOTE 6 - SUBSEQUENT EVENTS

On November 2, 2012, the Board of Directors of Bullfrog Gold Corp. (the Company) approved a unilateral re-pricing of warrants to purchase a total of 4,563,625 shares of the Company s common stock that were originally issued as part of the Company s private placement on September 30, 2011 (the Original PIPE) with an original exercise price of $0.60. Pursuant to the re-pricing, the warrants were unilaterally amended by the Board of Directors to reduce the exercise price of each warrant to $0.40, which is above the closing price of $0.38 price of the Company s common stock on November 2, 2012. The number of shares and expiration period of the warrants were not altered. Mr. David Beling, the Company s President and Chief Executive Officer, was an investor in the Original PIPE and received 100,000 warrants as part of his investment in the Original PIPE that were repriced on November 2, 2012. Other than Mr. Beling, none of the Company s directors and officers received warrants in the Original PIPE.

ITEM 2 - MANAGEMENT S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Forward Looking Statements

The following discussion and analysis is provided to increase the understanding of, and should be read in conjunction with, our unaudited condensed consolidated financial statements and related notes included elsewhere in this Quarterly Report. Historical results and percentage relationships among any amounts in these financial statements are not necessarily indicative of trends in operating results for any future period. This Report contains forward-looking statements . The statements, which are not historical facts contained in this Report, including this Management s discussion and analysis of financial condition and results of operation, and notes to our unaudited condensed consolidated financial statements, particularly those that utilize terminology such as may will, should, expects, anticipates, estimates, believes, or plans or comparable terminology are forward-looking statements. Such statemen are based on currently available operating, financial and competitive information, and are subject to various risks and uncertainties. Future events and our actual results may differ materially from the results reflected in these forward-looking statements. Factors that might cause such a difference include, but are not limited to, limited ability to establish new strategic relationships, ability to sustain and manage growth, variability of operating results, our expansion and development of new projects, general economic conditions, dependence on key personnel, the ability to attract, hire and retain personnel who possess the technical skills and experience necessary to maintain and develop new projects, the potential liability with respect to actions taken by our existing and past employees, and other risks described herein and in our other filings with the Securities and Exchange Commission.

The safe harbor for forward-looking statements provided by Section 21E of the Securities Exchange Act of 1934 excludes issuers of penny stock (as defined under Rule 3a51-1 of the Securities Exchange Act of 1934). Our common stock currently falls within that definition.

All forward-looking statements in this document are based on information currently available to us as of the date of this report, and we assume no obligation to update any forward-looking statements. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results to differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements.

Company History

Bullfrog Gold Corp., (Bullfrog Gold , "the Company") was incorporated under the laws of the State of Delaware on July 23, 2007 as Kopr Resources Corp. On July 19, 2011, Bullfrog Gold's board of directors approved an Amended and Restated Certificate of Incorporation of the Company to authorize (i) the change of the name of the Company to "Bullfrog Gold Corp." from "Kopr Resources Corp." (ii) the increase in the authorized capital stock to 250,000,000 shares and (iii) the change in par value of the capital stock to $0.0001 per share. The Company is in the exploration stage of its resource business.

On March 17, 2011 the Board of Directors of Bullfrog Gold unanimously approved the reverse stock split of the Company's issued and outstanding stock as of April 4, 2011 at a ratio of 1 for 5.75. The par value and total number of authorized shares were unaffected by the reverse stock split. All shares and per share amounts in these financial statements and notes thereto have been retrospectively adjusted to all periods presented to give effect to the reverse stock split.

On July 19, 2011, Bullfrog Gold's board of directors authorized a 51.74495487 for one forward split of our outstanding common stock in the form of a dividend, whereby an additional 50.74495487 shares of common stock, par value $0.0001 per share, was issued on each one share of common stock outstanding as of July 25, 2011. All shares and per share amounts in these financial statements and notes thereto have been retrospectively adjusted to all periods presented to give effect to the forward stock split.

On September 30, 2011, the Company entered into an Agreement of Merger and Plan of Reorganization (the Merger Agreement) with Standard Gold Corp., a privately held Nevada corporation (Standard Gold), and Bullfrog Gold Acquisition Corp., the Company s newly formed, wholly-owned Delaware subsidiary (Acquisition Sub), pursuant to which Standard Gold merged with and into Acquisition Sub, with Standard Gold as the surviving entity, causing Standard Gold to become the Company s wholly-owned subsidiary (the Merger). Following the closing of the Merger the Company conducted a private placement (the Private Placement) pursuant to which it sold units at a per unit price of $0.40 with each unit consisting of one share of the Company s common stock (except that certain investors elected to receive, in lieu of common stock, one share of Series A Preferred Stock), and one warrant to purchase 50% of the number of shares purchased at an exercise price of $0.60 per share. Immediately following the closing of the Merger, under an Agreement of Conveyance, Transfer and Assignment of Assets and Assumption of Obligations, the Company transferred substantially all of its pre-exchange assets and liabilities to a wholly-owned subsidiary, Kopr Resources Holdings, Inc. (SplitCo) and thereafter, pursuant to a stock purchase agreement, transferred all of the outstanding capital stock of SplitCo to our former officer and director in exchange for the cancellation of shares of our common stock she owned. See Note 2 in the Notes to Consolidated Financial Statements for additional details concerning the reverse merger transaction.

Company Overview

We are primarily an exploration stage company engaged in the acquisition and exploration of properties that may contain gold, silver and other mineralization in the United States. Our target properties are those that have been the subject of historical exploration. We have acquired State exploration permits and Federal patented and unpatented mining claims in the states of Arizona and Nevada for the purpose of exploration and potential development of gold, silver and other minerals on a total of approximately 9,850 acres. We plan to review opportunities and acquire additional mineral properties with current or historic precious and base metal mineralization with meaningful exploration potential. The Company has acquired three projects, as described below.

Newsboy Project, Arizona

The Newsboy Project comprises 4,920 acres of state and federal lands located 45 miles northwest of Phoenix, Arizona. In June 2012 the Company determined that one of the state permits was not beneficial to the project and did not renew one of the four state permits therefore reducing the land holdings from 5,240 to 4,920 acres and three state permits. The closest towns, Wickenburg and Morristown, are located 10 miles and 3 miles respectively from the site and provide excellent infrastructure. Approximately 1.2 million ounces of gold and 1 million ounces of silver have been produced within 25 miles of the Newsboy Project from several historic mines, including the Vulture, Congress, Octave and Yarnell.

In September 2011, the Company obtained the working right and option to earn a 100% interest in and to the Newsboy Project. Terms of this Agreement include the payment of $3,425,000 during the five-year period ending January 2012 plus a 2% net smelter royalty.

In addition to the main mineral zone drilled by predecessors, the Newsboy Project has nine relatively shallow priority drill targets and other secondary targets below existing drill depths. The Company and its independent consultants have developed a detailed exploration drilling program to confirm and expand mineralized zones and collect additional environmental and technical data. The first phase drilling program was initiated in November 2011 and completed by the end of January 2012. A total of 6,750 feet of drilling was completed in 24 holes. Below are highlights from the first phase drilling program.

- One vertical hole drilled in the basement schist rocks discovered a vein that contained 50 feet (15.2 meters) of 0.084 gold ounces per short ton (opt) (2.9 grams/metric tonne) and 0.18 silver opt (6.1 g/mt), including 5 feet (1.5 m) of 0.39 gold opt (13.5 g/mt) and 0.39 silver opt (13.5 g/mt).
- Five holes drilled within a 1992 proposed open pit mine area averaged 0.048 gold opt (1.6 g/mt), 1.2 silver opt (41.1 g/mt) and 64 feet in thickness (19.5 m). These results are comparable and confirmatory of adjacent old drill data.
- Sixteen additional holes were drilled in the large area surrounding the proposed open pit limits. Nine of these holes contained mineralization above the cutoff grade of 0.015 gold opt (0.5 g/mt).

During May and June 2012 the Company completed 24 additional holes as the second phase drilling program. Below are highlights from the second phase drilling program.

- Two holes show the high grade mineralization discovered in phase 1 to be tabular with an apparent dip of 15°. As a result, the thickness and tonnage in this area may be an order of magnitude greater than that of a narrow, near vertical vein as initially thought.
- The pit limit will be expanded accordingly with 20% higher grade gold than the 0.044 gold opt estimated in the 1992 pit.
- The open area immediately east of these three holes is approximately 800 feet by 1,200 feet and will be drilled to expand this new mineralization and establish its true thickness.

The Company intends to continue drilling the Newsboy Project and surrounding area during late 2012 and early 2013 and soon thereafter update the historic feasibility study and environmental permit applications. Drilling thereafter will be based on results and requirements. In June 2012 the Company purchased a substantial historic data base from Moneta Porcupine Mines, who owned the property from 1993 through 1995.

Bullfrog Gold Project

The Bullfrog Gold Project lies approximately 3 miles northwest of the town of Beatty and 116 miles northwest of Las Vegas, Nevada. Standard Gold acquired a 100% right, title and interest in and to 1,650 acres of mineral claims and patents known as the Bullfrog Project subject to a 3% net smelter royalty. The Company s first phase drilling program is scheduled to start in 2013, subject to approval of a drill program that was initially submitted the US Bureau of Land Management in June 2012. The Company also continued its search for additional historic information on the Bullfrog Project and surrounding area.

Klondike Project

The Company acquired the option to purchase the Klondike Project in Nevada in June 2012. The Klondike Project is located in the Alpha Mining District about 40 miles north of Eureka, Nevada. The initial property included 64 unpatented mining claims, to which Bullfrog recently staked an additional 168 claims for a total of 4,640 acres, which covers most of the Alpha Mining District.

The Klondike Project covers mineralized structures 5 miles long and 1 mile wide along the west flank of the Sulfur Springs mountain range. The rocks within this corridor are intensely broken by numerous periods of faulting, thereby providing a favorable environment for several sequences of hydrothermal solutions to form mineral deposits. These host rocks are mostly Devonian age sediments typical of most Carlin gold deposits.

At least two styles of mineral deposits exist on the Company s property:

- The oldest is a silver-rich, lead-zinc event that appears to be related to a molybdenum porphyry system that is not exposed but indicated by geochemistry and alteration. In this regard, the Klondike claims lie 10 miles north of the Mt. Hope molybdenum mine which is currently under development as one of the world s largest molybdenum deposits. The Mt. Hope deposit has a halo of silver-zinc mineralization that is typically more than a thousand feet thick and above several thousand feet of molybdenum mineralization. A silver-rich copper event may also be related to this style of mineralization.

- A later stage Carlin-style gold-arsenic-barite mineralizing event over-printed the earlier silver-zinc-molybdenum system. This event has wide-spread anomalous gold values with arsenic and associated calcite veining. Barite may be related to all events. A new gold discovery is currently being drilled by other companies 10 miles west of the Klondike and may be the continuation of the massive Cortez gold trend.

A total of 156 surface rock chip samples of the Klondike host rocks averaged 32 ppm silver, 1.3 % zinc, 0.8 % lead, 0.16 % copper and anomalous gold. These contents compare well with major silver-zinc deposits such as San Cristobal in Bolivia, Penasquito in Mexico and the new discovery of Cordero in Mexico, each of which may contain more than 100 million tonnes of ore. See Note 4 in the Notes to Financial Statements for additional details concerning the purchase transaction.

Results of Operations

Three Months Ended September 30, 2012 Compared to Three Months Ended September 30, 2011

Three months ended

	9/30/12	9/30/11
Revenue	$ -	$ -
Operating Expenses		
General and Administrative	228,910	162,517
Exploration Costs	132,624	-
Marketing	215,510	23,464
Total Operating Expenses	577,044	185,981
Net Operating Loss	(577,044)	(185,981)
Gain on Forgiveness of Debt	-	28,499
Interest Expense	-	(6,539)
Revaluation of Warrant Liability	996,618	-
Net Income (Loss)	$ 419,574	$ (164,021)

We are still in the exploration stage and have no revenues to date.

During the three months ended September 30, 2012 we had a net income of $419,574 compared to a net loss of $164,021 for the three months ended September 30, 2011. The increase of $583,595 is due primarily to:

1. General and Administrative variance of approximately $66,000 due to the following:

a. Stock-based compensation of approximately $72,000 as a result of the 2011 Equity Incentive Plan in which options were granted to two officers of the Company and one consultant to the Company. See Note 2 in the Notes to the Consolidated Financial Statements for additional discussion and valuation of common stock options.

b. The Company having approximately $81,000 in payroll costs for the three months ended September 30, 2012. The Company did not have any employees for this period in 2011 and therefore had zero payroll expense.

c. The Company incurred legal fees of approximately $131,000 for the three months ended September 30, 2011 compared to approximately $46,000 for the same period in 2012. The cost in 2011 was due to the costs related to the reverse merger that was completed on September 30, 2011. See Note 2 in the Notes to the Consolidated Financial Statements for additional discussion about the reverse merger.

2. Exploration costs variance of approximately $133,000 due to the following:

a. There was approximately $39,000 spent on site assessment work, which included $24,000 for drill sample testing. There were no costs for the same period in 2011.

b. There was approximately $28,000 expense for geology consultants and $66,000 expense for filing fees for the three months ended September 30, 2012. There was approximately $35,000 in filing fees for the same period in 2011, however the expenses were classified as General and Administrative.

3. Marketing expenses for the three months ended September 30, 2012 were approximately $216,000 versus $23,000 for the same period in 2011. Approximately $109,000 of the expense is stock-based compensation for the Company s marketing and investor relations consultants. See Note 2 in the Notes to the Consolidated Financial Statements for additional discussion and valuation of common stock options. In addition, there was approximately $100,000 spent on investor relation programs, including 100,000 shares valued at approximately $59,000 that were issued to a consultant.

4. The Revaluation of Warrant Liability of $996,618 for the three months ended September 30, 2012 resulted from warrants issued as part of the private placement. The change in value to the Warrant Liability is primarily due to the fair value price per share of $0.63 at June 30, 2012 and the fair value price per share of $0.24 at September 30, 2012. See Note 3 in the Notes to the Consolidated Financial Statements for additional discussion and valuation of the warrant liability.

Nine Months Ended September 30, 2012 Compared to Nine Months Ended September 30, 2011

Nine months ended

	9/30/12	9/30/11
Revenue	$ -	$ -
Operating Expenses		
General and Administrative	769,022	188,278
Exploration Costs	993,136	-
Marketing	1,053,415	23,464
Total Operating Expenses	2,815,573	211,742
Net Operating Loss	(2,815,573)	(211,742)
Gain on Forgiveness of Debt	-	28,499
Interest Expense	-	(18,941)
Revaluation of Warrant Liability	2,210,475	-
Net Loss	$ (605,098)	$ (202,184)

We are still in the exploration stage and have no revenues to date.

During the nine months ended September 30, 2012 we had a net loss of $605,098 compared to a net loss of $202,184 for the nine months ended September 30, 2011. The increase of $402,914 is due primarily to:

1. General and Administrative variance of approximately $580,000 due to the following:

a. Stock-based compensation of approximately $276,000 as a result of the 2011 Equity Incentive Plan in which options were granted to two officers of the Company and one consultant to the Company. See Note 2 in the Notes to the Consolidated Financial Statements for additional discussion and valuation of common stock options.

b. The Company having approximately $243,000 in payroll costs for the nine months ended September 30, 2012. The Company did not have any employees for this period in 2011 and therefore had zero payroll expense.

c. The Company has engaged two financing companies to provide funds for continued operations. As part of the financing agreements, we paid one company $50,000 and the other company $12,500 for a total of $62,500 as nonrefundable, upfront fees. There were no financing fees for the same period in 2011.

2. Exploration costs variance of approximately $993,000 due to the following:

a. There was approximately $530,000 spent on drilling the Newsboy Project, which included drilling costs, water truck and drill pad excavation. There were no costs for the same period in 2011.

b. The Company spent an additional $90,000 on samples testing for the above mentioned drilling results. There were no costs for the same period in 2011.

c. There was approximately $149,000 expense for geology consultants and $106,000 expense for filing fees for the nine months ended September 30, 2012. There was approximately $35,000 in filing fees for the same period in 2011, however the expenses were classified as General and Administrative.

d. The Company paid $100,000 to Moneta Porcupine Mines (Moneta) for their historical data related to their exploration activities from when they owned the Newsboy Project from 1993 through 1995. This data included assay certificates and drill logs of nearly all 154 historical drill holes from 1987 to 1992 and eight additional holes drilled by Moneta during 1994 and 1995.

3. Marketing expenses for the nine months ended September 30, 2012 were approximately $1,053,000 versus $23,464 for the same period in 2011. Approximately $419,000 of the expense is stock-based compensation for the Company s marketing and investor relations consultants. See Note 2 in the Notes to the Consolidated Financial Statements for additional discussion and valuation of common stock options. In addition, there was approximately $505,000 spent on investor relation programs, including 256,000 shares valued at approximately $152,000 that were issued to various consultants.

4. The Revaluation of Warrant Liability of $2,210,475 for the nine months ended September 30, 2012 resulted from warrants issued as part of the private placement. The change in value to the Warrant Liability is primarily due to the fair value price per share of $0.95 at December 31, 2011 and the fair value price per share of $0.24 at September 30, 2012. See Note 3 in the Notes to the Consolidated Financial Statements for additional discussion and valuation of the warrant liability.

Liquidity and Capital Resources

As a result of the Private Placement of $3,650,900 (which includes the conversion of debt owed by the Company in the aggregate amount of $940,900 which was converted on a dollar for dollar basis into the Private Placement) we received net cash proceeds of $2,710,000. As of September 30, 2012 we had $200,000 in debt, see Note 5 in the Notes to Consolidated Financial Statements for additional details. Losses from operations have been incurred since inception and there is an accumulated deficit of $3,437,024 as of September 30, 2012. Continuation as a going concern is dependent upon raising additional funds and attaining profitable operations. We do not believe that we will have sufficient cash to continue to explore and develop the Newsboy Gold Project in Arizona or the Bullfrog Gold Project in Nevada and Klondike Project in Nevada. See Note 2 in the Notes to Consolidated Financial Statements for additional details concerning the reverse merger transaction.

In addition to the continued exploration of the Newsboy and Bullfrog Projects, the Company is committed to spend no less than $100,000 for the benefit of the Klondike Project by June 11, 2013. The work commitments thereafter are discretionary to maintain the agreement in effect per the following schedule:

1. $100,000 prior to June 11, 2013
2. An additional $150,000 prior to June 11, 2014
3. An additional $200,000 prior to June 11, 2015
4. An additional $200,000 prior to June 11, 2016
5. An additional $200,000 prior to June 11, 2017

Off Balance Sheet Arrangements

We do not engage in any activities involving variable interest entities or off-balance sheet arrangements.

Critical Accounting Policies and Use of Estimates

Stock based compensation is measured at grant date, based on the fair value of the award, and is recognized as an expense over the employee s requisite service period. We estimate the fair value of each stock option as of the date of grant using the Black-Scholes pricing model. The Company estimates the volatility of its common stock at the date of grant based on the volatility of a comparable peer company which is publicly traded. The Company determines the expected life based on historical experience with similar awards, giving consideration to the contractual terms, vesting schedules and post-vesting forfeitures. The Company uses the risk-free interest rate on the implied yield currently available on U.S. Treasury issues with an equivalent remaining term approximately equal to the expected life of the award. The Company has never paid any cash dividends on its common stock and does not anticipate paying any cash dividends in the foreseeable future.

The Company accounts for derivative instruments in accordance with FASB ASC 815, *Derivatives and Hedging*, which requires additional disclosures about the Company s objectives and strategies for using derivative instruments, how the derivative instruments and related hedged items are accounted for, and how the derivative instruments and related hedging items affect the financial statements. The Company does not use derivative instruments to hedge exposures to cash flow, market or foreign currency risk. Terms of convertible debt and equity instruments are reviewed to determine whether or not they contain embedded derivative instruments that are required under ASC 815 to be accounted for separately from the host contract, and recorded on the balance sheet at fair value. The fair value of derivative liabilities, if any, is required to be revalued at each reporting date, with corresponding changes in fair value recorded in current period operating results. Pursuant to ASC 815, an evaluation of specifically identified conditions is made to determine whether the fair value of warrants issued is required to be classified as equity or as a derivative liability.

ITEM 3 - QUANTITATIVE AND QUALITATIVE DISCLOSURES AND MARKET RISK

N/A

ITEM 4 - CONTROLS AND PROCEDURES.

Disclosure Controls and Procedures

The Company s management, under the supervision and with the participation of its Chief Executive Officer, who also serves as the Company s Chief Financial Officer, evaluated the effectiveness of the design and operation of the Company s disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of September 30, 2012. Based on that evaluation, the Company s Chief Executive Officer concluded that the disclosure controls and procedures employed at the Company were effective to ensure that the information required to be disclosed by the Company in the reports that it files or submits under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported within the time periods specified in SEC rules and forms.

Changes in Internal Controls

There have been no changes in the Company s internal control over financial reporting during the nine months ended September 30, 2012 that have materially affected, or are reasonably likely to materially affect, the Company s internal controls over financial reporting.

PART II

OTHER INFORMATION

ITEM 1 - LEGAL PROCEEDINGS

We know of no material, active or pending legal proceedings against the Company, nor are we involved as a plaintiff in any material proceeding or pending litigation. There are no proceedings in which any of our directors, officers or affiliates, or any registered or beneficial shareholder, is an adverse party or has a material interest adverse to our interest.

ITEM 1A - RISKS FACTORS

Not applicable

ITEM 2 - UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

None

ITEM 3 - DEFAULTS UPON SENIOR SECURITIES

None

ITEM 4 - MINE SAFETY DISCLOSURES

None

ITEM 5 - OTHER INFORMATION

None

ITEM 6 - EXHIBITS

Exhibit Number	Description
31	Certification of Chief Executive Officer and Chief Financial Officer filed pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32	Certification of Chief Executive Officer and Chief Financial Officer filed pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Date: November 13, 2012	**BULLFROG GOLD CORP.**
	By: *[/s/ David Beling]* Name: David Beling Title: President, Chief Executive Officer and Chief Financial Officer (Principal Executive Officer and Principal Financial and Accounting Officer)