

2007

Birim Goldfields Inc.

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***First Quarter
Interim Report
June 30, 2007***

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Birim Goldfields Inc.

First Quarter Interim Report As at June 30th, 2007

President's Message

During the quarter ended June 30th, 2007, we have continued to make significant progress on our exploration properties in Ghana and Burkina Faso, West Africa. In the field we have been actively drilling on both the Tinga property in Ghana and on our newly acquired Sangolo property in Burkina Faso. We also received results from drilling completed during the previous quarter on the Cluster property. Geochemical soil sampling has extended and refined the Chert Ridge prospect on our Cluster property (Bui Belt) and the Bodi prospect on our Banda Ahenkro property (Sefwi Belt). In addition, soil sampling on our Techimentia and Nkenkasu properties (both Sefwi Belt) has identified 3 additional targets that may warrant follow up drilling.

Sangolo Property – Houndé Belt, Burkina Faso

During the quarter we established a subsidiary company, Birim Goldfields Burkina Ltd., in Burkina Faso after concluding an Option Agreement with local vendor, Pyramide-M for the 223 km² Sangolo license located on the Houndé Belt. This enabled us to open bank accounts, employ personnel and establish support infrastructure to commence exploration on the Sangolo property. Consequently, we were able to commence and complete the initial drilling phase comprising 24 reverse circulation ("RC") holes for 1,579 meters on two prospects (**Baobab and Acacia**) on the Sangolo property during the quarter. Both prospects are associated with extensive artisanal workings and prospective structures exhibiting strong alteration signatures. Results are expected early in the following quarter.

Bui Belt, Ghana

On the Tinga property, we completed 33 RC drill holes, totaling 2,283 meters to test a selection of co-incident geochemical and ground geophysical targets. The objective here is to locate additional mineralization in close proximity to **Tinga Far East** prospect. The southern extension of the **Tinga Far East** prospect itself was confirmed with an intersection of 6 meters at 2.15 g/t gold and an additional intercept of 2 meters at 21.23 g/t gold. An intercept of 5 meters at 1.32 g/t gold within a broader pyritic zone of 20 meters at 0.54 g/t gold confirmed the prospectivity of the **Tinga B Prospect** and an intercept of 2 meters at 8.82 g/t gold in an area where Semafo had previously obtained trench intersections of 2 meters at 5.29 g/t and 2 meters at 17.8 g/t gold highlighted **Tinga C Prospect**. These two new parallel prospects have the potential to add to the gold resources currently being estimated by independent consultants, RSG Global, for Tinga Far East since they occur within 2km of each other.

On the Cluster property, results were received from drilling completed at the **Chert Ridge** prospect late in the previous quarter. The 10 hole (1,060 meter) mixed RC and diamond drilling program was designed to test the down plunge extensions of the two zones identified in the central area of Chert Ridge. This was confirmed by an intercept 14 meters at 2.63 g/t gold at a vertical depth of approximately 70 meters below surface at the 220 meter long Zone A and an intercept of 7 meters at 1.01 g/t gold at a vertical depth of approximately 70 meters below surface at the 500 meter long Zone B. The 9km long gold in soil anomaly defining the Chert Ridge prospect has also been extended by a further 3km to the south along strike of the same extensive structure hosting Zones A and B.

On May 17th, 2007 we announced that the Minerals Commission in Ghana had granted Birim two new licenses on the Bui Belt. These are the Kalebu Reconnaissance License (370 km²) and the Wewa Prospecting License (150 km²), bringing Birim's accumulated ground position on the Bui Belt to 2,216 km², further enhancing our strategic and dominant position on this belt.

Bibiani-Sefwi Belt, Ghana

On our Techimentia property, follow up detailed soil geochemistry has confirmed and refined two targets previously identified during the regional soil sampling program. These targets coincide with potentially prospective geological structures defined from the interpretation of airborne geophysical data. Similar structures host the multiple deposits that comprise Newmont's world class Ahafo Gold project located to the west and south of the Techimentia property.

On our Banda Ahenkro property, additional soil geochemistry has refined the **Bodi** prospect, an 8km long gold in soil anomaly coincident with a structure that has a strong airborne magnetic signature.

Akrokerri Agreement

On June 28th, 2007 we announced that along with SEMS Exploration Services Limited ("SEMS"), a private Ghanaian registered company, we had concluded a Heads of Agreement with AIM listed Pan African Resources plc ("Pan African"), to sell off 90% of our combined interest in the Akrokerri Property in southern Ghana. Birim currently retains a 49% interest in the Akrokerri property, while the remaining 51% is held by SEMS. Under the terms of the agreement, Pan African will acquire the 90% interest in Akrokerri in exchange for the issue of 12,000,000 ordinary shares (of which Birim is being issued 5,880,000 Shares and SEMS 6,120,000 Shares). At the time of the agreement Pan African's shares were valued at 6 pence, potentially valuing the transaction at £352,800 for Birim. Birim and SEMS will also retain a 10% free carried interest in Akrokerri (4.9% Birim and 5.1% SEMS), which Pan African has the right to acquire once the project reaches Bankable Feasibility Stage, at a value determined by the feasibility study. The transaction is subject to the approval to Ministerial approval in Ghana.

Moving forward, Birim will have drilling programs lined up for both the Baobab and Acacia prospects on the Sangolo property in Burkina Faso as well as for Chert Ridge, Tinga and Tombe prospects on the Bui Belt in Ghana. In addition scout drilling on other drill ready targets on the Bui Belt will be considered once the rainy season has passed and we are able to conclude drill contracts for drilling rigs, which are scarce in the region at this time.

As of June 30th, 2007, the number of common shares outstanding for Birim is 67,631,186. This includes the full exercise of warrants which expired April 13th, 2007 which raised an addition CAD\$2,630,505 for the company. The Company has a solid financial position with approximately \$3.9 million CAD in cash and no debt.

On behalf of the management and Board of Birim Goldfields Inc., I thank you for your continued support. We are looking forward to another active and exciting quarter ahead.

Vic King
President and Chief Executive Officer
July 26, 2007

Birim Goldfields Inc.
 (An exploration Company)
Consolidated Balance Sheets

	June 30, 2007 (unaudited)	March 31, 2007 (audited)
Assets		
Current assets		
Cash and cash equivalents	\$ 3,948,239	\$ 2,391,579
Accounts receivable	27,968	78,110
Prepaid expenses	107,153	147,164
	<hr/>	<hr/>
	4,083,360	2,616,853
Property, plant and equipment (Note 2)	398,976	422,335
Mining interests (Note 3)	19,750,491	18,865,199
	<hr/>	<hr/>
	\$ 24,232,827	\$ 21,904,387
	<hr/>	<hr/>
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	\$ 200,219	\$ 417,200
	<hr/>	<hr/>
Shareholders' Equity		
Share Capital (Note 4)	35,388,357	32,235,967
Options (Note 4)	717,925	712,339
Warrants (Note 4)	368,391	892,143
Contributed Surplus (Note 4)	767,933	739,429
Deficit	(13,209,998)	(13,092,691)
	<hr/>	<hr/>
	24,032,608	21,487,187
	<hr/>	<hr/>
	\$ 24,232,827	\$ 21,904,387
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See accompanying notes

Birim Goldfields Inc.

(An exploration Company)

Consolidated Statements of Operations and Deficit

(unaudited)

	Three-month period ended June 30	
	2007	2006
Interest income, net	\$ 37,199	\$ 17,191
Administrative expenses		
Salaries and fringe benefits	49,156	72,064
Professional and consulting fees (Note 5)	44,139	30,384
Office and general	40,236	60,918
Travelling and entertainment	11,436	27,345
Rent (Note 5)	9,539	9,375
Stock - based compensation costs (Note 4)	-	179,604
	<u>154,506</u>	<u>379,690</u>
Net loss	117,307	362,499
Deficit at beginning	13,092,691	11,960,088
Share issue expenses	-	47,560
	<u>\$ 13,209,998</u>	<u>\$ 12,370,147</u>
Deficit at end		
	<u>\$ 0.01</u>	<u>\$ 0.01</u>
Basic and diluted net loss per share		
	<u>\$ 0.01</u>	<u>\$ 0.01</u>

See accompanying notes

Birim Goldfields Inc.
(An exploration Company)
Consolidated Statements of Cash Flows
(unaudited)

	Three-month period ended June 30	
	2007	2006
Operating activities		
Net loss	\$ (117,307)	\$ (362,499)
Item not affecting cash and cash equivalents		
Stock - based compensation costs	-	179,604
	<u>(117,307)</u>	<u>(182,895)</u>
Net change in non-cash working capital items		
Accounts receivable	50,142	(10,402)
Prepaid expenses	40,011	11,177
Accounts payable and accrued liabilities	(216,981)	34,181
	<u>(126,828)</u>	<u>34,956</u>
	<u>(244,135)</u>	<u>(147,939)</u>
Financing activities		
Share capital	2,630,505	4,727,855
Share issue expenses	-	(47,560)
	<u>2,630,505</u>	<u>4,680,295</u>
Investing activities		
Mineral interests - exploration costs	(823,424)	(756,056)
Additions to property, plant and equipment	(6,286)	(43,416)
Prepaid rent	-	25,865
	<u>(829,710)</u>	<u>(773,607)</u>
Net change in cash and cash equivalents	1,556,660	3,758,749
Cash and cash equivalents at beginning	<u>2,391,579</u>	<u>803,183</u>
Cash and cash equivalents at end	<u>\$ 3,948,239</u>	<u>\$ 4,561,932</u>

Cash and cash equivalents are represented by cash and term deposits.

Additional Information

Items not affecting cash and cash equivalents related to financing and investing activities

Options granted (mining interests)	\$ 32,223	\$ -
Capitalized amortization (mining interests)	\$ 29,645	\$ 23,953
Warrants exercised	\$ 521,885	-

See accompanying notes.

Birim Goldfields Inc.

(An exploration Company)

Notes to Consolidated Financial Statements

(unaudited)

June 30, 2007 and 2006

1. General

The accompanying unaudited consolidated financial statements do not include all the disclosure required by generally accepted accounting principles for annual statements and should be read in conjunction with the notes to the Company's audited consolidated financial statements for the year ended March 31, 2007, specifically the Note 1 on the Nature of activities and going concern and Note 2 on the Summary of significant accounting policies.

2. Property, plant and equipment

	2007		
	Cost	Accumulated amortization	Net amount
Motor vehicles	\$ 354,583	\$ (148,917)	\$ 205,666
Office equipment	220,922	(44,156)	176,766
Field equipment	34,499	(17,955)	16,544
	<hr/>	<hr/>	<hr/>
	\$ 610,004	\$ (211,028)	\$ 398,976

	2006		
	Cost	Accumulated amortization	Net amount
Motor vehicles	\$ 354,583	\$ (86,383)	\$ 268,200
Office equipment	39,641	(9,665)	29,976
Field equipment	19,154	(9,704)	9,450
	<hr/>	<hr/>	<hr/>
	\$ 413,378	\$ (105,752)	\$ 307,626

3. Mining interests

	Balance as at April 1, 2007 \$	Costs \$	Balance as at June 30, 2007 \$
Ghana			
Bui	14,553,348	147,734	14,701,082
Tinga	2,938,748	320,679	3,259,427
Bibiani-Sefwi	949,510	131,585	1,081,095
Techimentia	405,778	82,947	488,725
Burkina Faso			
Sangolo	17,815	202,347	220,162
	<hr/>	<hr/>	<hr/>
	18,865,199	885,292	19,750,491

Birim Goldfields Inc.

(An exploration Company)

Notes to Consolidated Financial Statements

(unaudited)

June 30, 2007 and 2006

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3. Mining interests (cont'd)

	Balance as at April 1, 2006 \$	Costs \$	Balance as at June 30, 2006 \$
Bui	11,497,684	566,947	12,064,631
Tinga	2,655,062	50,539	2,705,601
Bibiani-Sefwi	596,334	55,639	651,973
Techimentia	-	106,884	106,884
	<u>14,749,080</u>	<u>780,009</u>	<u>15,529,089</u>

4. Share capital

Authorized

Unlimited number of common shares, without par value.

Issued

Changes in the Company's share capital were as follows:

	2007		2006	
	Number of Shares	Amount	Number of Shares	Amount
Balance at beginning	63,512,086	\$ 32,235,967	51,576,604	\$ 26,022,930
Issued following a private placement	-	-	8,596,100	4,188,533*
Issued following the exercise of warrants	4,119,100	3,152,390	-	-
Balance at end	<u>67,631,186</u>	<u>\$ 35,388,357</u>	<u>60,172,704</u>	<u>\$ 30,211,463</u>

* This amount is net of the fair value of the warrants amounting \$539,322.

Stock option plan

The company has a fixed-price share option plan. Under the Employee, Director and Consultant Share Option Plan, the company may grant options to its key employees, officers, directors and consultants for up to 9,500,000 common shares. Under the plan, the exercise price of each option equals the market price of the company's shares on the date of grant and an option's maximum term is ten years. The number of share options granted is determined by the Board of Directors and the aggregate number of share options granted to any one individual cannot exceed 5% of the issued and outstanding common shares of the company. Options terminate 90 days following the key employee's, officer's or director's date of departure, except in the case of retirement, death or disability, in which case they terminate one year after the event. Options also terminate 90 days following the cancellation of contracts with the consultants. The options are exercisable at any time, unless otherwise specified.

Birim Goldfields Inc.

(An exploration Company)

Notes and Comments to Consolidated Financial Statements

(unaudited)

June 30, 2007 and 2006

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4. Share capital (cont'd)

Options

The following table presents the options activity since April 1, 2007 and 2006:

	2007		2006	
	Number	Weighted average exercise price \$	Number	Weighted average exercise price \$
Outstanding – Beginning of period	4,165,000	0.46	3,815,000	0.46
Granted	150,000	0.70	1,000,000	0.52
Exercised	-	-	-	-
Matured	(150,000)	0.42	(1,000,000)	0.54
Outstanding and exercisable – End of period	4,165,000	0.47	3,815,000	0.46

The following table summarizes information about fixed stock options outstanding and exercisable as at June 30, 2007:

Options outstanding as at June 30, 2007	Weighted average remaining contractual life (years)	Exercise price
915,000	0.10	\$ 0.40
50,000	0.30	0.39
1,550,000	0.55	0.45
1,000,000	0.97	0.50
500,000	2.68	0.56
150,000	1.71	0.70
4,165,000	0.85	\$ 0.47

Birim Goldfields Inc.

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Notes and Comments to Consolidated Financial Statements

(unaudited)

June 30, 2006 and 2005

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5. Share capital (cont'd)

The fair value of options granted was estimated using the Black-Scholes options pricing model with the following weighted average assumptions :

	2007	2006
Weighted average risk-free interest rate	4.12	4.38
Expected volatility	50%	75%
Dividend yield	Nil	Nil
Weighted average expected life	2 years	2 years
Weighted average cost of option granted	\$0.21	\$0.18

The cost recorded as expenses for the options granted to directors and officers during the period ended June 30, 2007 is nil (\$179,604 in 2006) and the amount of nil (\$179,604 in 2006) has been recorded under the heading Options. In addition, during the period ended June 30, 2007, \$32,223 was accounted for as mining interests for options granted to technical consultants through the vesting period and the amount of \$32,223 has been recorded under the heading Options.

As at June 30, 2007, the cost of the matured options is \$26,637 and has been transferred to contributed surplus.

Warrants

The following table presents the warrant activity since April 1, 2007 and 2006:

	2007		2006	
	Number	Weighted average exercise price \$	Number	Weighted average exercise price \$
Outstanding – Beginning of period	10,043,191	0.73	4,251,400	0.64
Granted	-	-	4,298,050	0.80
Exercised	(4,119,100)	0.64	-	-
Matured	(15,000)	0.65	-	-
Outstanding – End of period	5,909,091	0.80	8,549,450	0.72

Birim Goldfields Inc.

(An exploration Company)

Notes and Comments to Consolidated Financial Statements

(unaudited)

June 30, 2007 and 2006

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4. Share capital (cont'd)

The following table summarizes information about warrants outstanding and exercisable as at June 30, 2007:

Exercise price	Warrants outstanding and exercisable as at June 30, 2007	Weighted average remaining contractual life
\$0.80	4,298,050	0.40 year
\$0.80	1,611,041	0.52 year

As at June 30, 2007, the cost of expired warrants is \$1,867 and has been transferred to Contributed Surplus.

5. Related party transactions

During the period, the Company paid \$19,500 (\$19,500 in 2006) in professional service fees and \$6,000 (\$6,000 in 2006) in rent, to a company controlled by an officer. These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

Birim Goldfields Inc.

Statement concerning the interim financial statements

The interim financial statements for the period ended June 30, 2007 have not been reviewed by the auditors of the Company.

Management's Discussion and Analysis

The following management discussion and analysis of Birim Goldfields Inc. ("Birim") and its wholly-owned subsidiaries, Birim Goldfields (Ghana) Ltd. ("Birim Ghana") and EBI (Ghana) Ltd. ("EBI"), should be read in conjunction with the consolidated financial statements. In this report, Birim, Birim Ghana and EBI are collectively referred to as "the Company".

The Company is a mining exploration Company active in the Republic of Ghana and in Burkina Faso, West Africa.

Caution regarding forward-looking information

Statements contained in this document which are not historical facts are forward-looking statements that involve risk, uncertainties and other factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements. Factors that could cause such differences, without limiting the generality of the following, include: volatility and sensitivity to market metal prices impact of change in foreign currency exchange rates and interest rates; imprecision in reserves estimates; environmental risks including increased regulatory burdens; unexpected geological conditions; adverse mining conditions; political risks arising from operating in certain developing countries; changes in government regulations and policies, including laws and policies; and failure to obtain necessary permits and approvals from government authorities; and other development and operating risks.

Although the Company believes that the assumptions inherent in the forward-looking statements are reasonable, undue reliance should not be placed on these statements, which only apply as of the date of this document. The Company disclaims any intention or obligation to update or revised any forward-looking statement, whether as a result of new information, future events or otherwise.

General

The Company is the holder of Reconnaissance and Prospecting Licences in Ghana, West Africa. It should be noted that the interests in all mineral licenses in Ghana are subject to a 10% free carried interest granted to the Government of Ghana when a project proceeds to the exploitation phase, as stipulated in Clause 43, The Minerals and Mining Act 703 of 2006.

The Akrokeri Prospecting License covering 27 km², is located north-east of AngloGold Ashanti's Obuasi gold deposits on the Ashanti Gold Belt. The Company still holds a 49% interest in this concession; however, all costs and expenses related to the property were written off during the year ended March 31, 2002.

In 1997, the Company acquired from Santa Fe Mining (subsidiary of Newmont Gold Company) an option to acquire a 100% interest in two Prospecting Licenses (Chenchu, Krachikrom encompassed within a large Reconnaissance License (Bui) on the Bui Gold Belt in Ghana. In the Agreement entered into with Newmont Gold Company, under certain circumstances, Newmont retains a back-in right.

On April 12, 2006, the Company announced that the Minerals Commission of Ghana had approved the issuance to Birim of nine Prospecting Licenses, including Parabu, Cluster, Akrobi-Kakum, Tainso West, Chechewere, Nasana, Bui East, Banda Nkwanta and Kuri. These Prospecting Licenses replaced the Bui Reconnaissance License. These nine Prospecting Licenses are in addition to the three Prospecting Licenses, bringing the total land package comprising these twelve Prospecting Licenses to 1,659 km². As at March 31, 2007, the Company holds a 100% interest in the twelve Bui licenses and has expensed \$14,561,135 in exploration activities.

On May 4, 2005, the Company acquired a 90% interest (Government of Ghana: 10%) in three exclusive Reconnaissance Licenses on the prominent Bibiani-Sefwi Gold Belt, including Nkenkasu, Banda Ahenkro and Bia Tano. These three licenses comprise an aggregate ground holding area of 1,190 km².

On June 21, 2005, the Company acquired all of the shares of EBI (Ghana) Ltd. ("EBI"), a wholly-owned subsidiary of Semafo Inc. The principal asset of EBI is comprised of the Tinga Prospecting License, which covers a 43.8 km² area and lies only 10 kilometers west of the Kuri gold prospect located in the northern section of the Bui reconnaissance license. This Prospecting License does not form part of the Agreement with Newmont.

Pursuant to an agreement signed in April, 2006 with a third party, the Company has the option to acquire a 90% interest (Government of Ghana: 10%) in the 168 km² Techimentia Reconnaissance License also located on the Bibiani-Sefwi Gold Belt in Ghana. To acquire this interest, the Company must commit to US\$2,500,000 of exploration work and pay US\$320,000 over a four-year period. In addition, the Company will retain an exclusive right to purchase the 1.5 % NSR for a total consideration of US\$2,000,000.

On March 20, 2007, the Company announced that it has entered into an option agreement with Pyramide-M, a Burkina Faso company, to acquire the 223 km² Sangolo Property located on the prospective Hounde Greenstone Belt in Burkina Faso, West Africa. Under the terms of the agreement, the Company can earn a 100% interest in the Sangolo Property in exchange for a total of US\$100,000 in cash payments spread over two years, (US\$20,000 on signature, US\$30,000 after Year 1 and US\$50,000 after Year 2). The Company will also commit to a minimum exploration expenditure of US\$150,000 per year over the two years stated. Pyramide-M will retain a 1.5% net smelter royalty, which the Company may exclusively elect to purchase for US\$1,500,000 at any time. The agreement is still subject to the finalization of statutory and regulatory approvals.

On June 28, the Company announced that along with SEMS Exploration Services Limited ("SEMS"), a private Ghanaian registered company, have concluded a Heads of Agreement with AIM listed Pan African Resources plc ("Pan African"), to sell off 90% of their combined interest in the Akrokerri Property in southern Ghana. Birim currently retains a 49% interest in the Akrokerri property, while the remaining 51% is held by SEMS.

Under the terms of the agreement, Pan African will acquire the 90% interest in Akrokerri in exchange for the issue of 12,000,000 ordinary shares of 1p each ("Shares") at a value of 6p (for a total value of £720,000 of which Birim is being issued 5,880,000 Shares and SEMS 6,120,000 Shares). Both SEMS and Birim have agreed not to dispose of any Shares granted to them for a period of at least six months.

The conclusion of this agreement is subject to the approval of the relevant regulatory and Ghanaian government authorities.

Quarterly Information

	For the three-month period ended							
	June 30							
2007/6								
Interest income, net	\$	37,199						
Net loss	\$	117,307						
Basic and diluted net loss per share	\$	0,01						
	For the three month period ended							
	March 31	December 31	September 30	June 30				
2006/05								
Interest income, net	\$	10,103	\$	21,084	\$	16,790	\$	14,474
Net loss	\$	507,553	\$	134,557	\$	309,505	\$	139,946
Basic and diluted net loss per share	\$	0.01	\$	0.01	\$	0.01	\$	0.01

	For the three-month period ended			
	March 31	December 31	September 30	June 30
2005/4				
Interest income, net	\$ 4,797	\$ 5,994	\$ 8,218	82,368
Net loss	\$ 228,079	\$ 184,994	\$ 211,751	337,908
Basic and diluted net loss per share	\$ 0.01	\$ 0.01	\$ 0.01	0.01

Selected Annual Information

See information contained in the annual report filed on SEDAR (www.sedar.com).

Critical Accounting Estimates

Critical accounting estimates used in the preparation of the consolidated financial statements include the Company's estimate of recoverable value of its mining properties and related deferred exploration costs as well as the value of stock-based compensation and the useful life of the capital assets. These estimates involve considerable judgment and are, or could be, affected by significant factors that are out of the Company's control.

The factors affecting the costs of stock-based compensation include estimates of when stock options and warrants might be exercised and the stock price volatility. The timing for exercise of options is out of the Company's control and will depend upon a variety of factors including the market value of the Company's share and financial objectives of the stock-based instrument holders. The Company used historical data and the market liquidity to determine volatility in accordance with the Black-Sholes model, however the future volatility is uncertain and the model has its limitations.

The Company's recoverability of its recorded value of its mining properties and associated deferred explorations costs is based on market conditions for minerals, underlying mineral resources associated with the properties and future costs that may be required for ultimate realization through mining operations or by sale. The Company is in an industry that is dependent on a number of factors including environmental, legal and political risk, the existence of economically recoverable reserves, the abilities of the Company to obtain necessary financing to complete the development and future profitable production or the proceeds of disposition thereof.

New accounting standards

In January 2005, the CICA issued four new accounting standards in relation with financial instruments : Section 3855 «Financial Instruments - Recognition and Measurement», Section 3865 «Hedges», Section 1530 «Comprehensive Income», and Section 3251, «Equity».

Section 3855 expands on Section 3860, «Financial Instruments - Disclosure and Presentation», by prescribing when a financial instrument is to be recognized on the balance sheet and at what amount. It also specifies how financial instrument gains and losses are to be presented in the financial statements.

Section 3865 provides alternative treatments to Section 3855 for entities which choose to designate qualifying transactions as hedges for accounting purposes. It replaces and expands on Accounting Guideline AcG-13, «Hedging Relationships», and the hedging guidance in Section 1650 «Foreign Currency Translation», by specifying how hedge accounting is applied and what disclosures are necessary when it is applied.

Section 1530 «Comprehensive Income» introduces a new requirement to temporarily present certain gains and losses outside net income.

Consequently, Section 3250 "Surplus" has been revised as Section 3251 "Equity".

Sections 1530, 3251, 3855 and 3865 apply to fiscal years beginning on or after October 1, 2006. The Management will adopt these new standards on April 1, 2007 and they will not have a significant impact on the consolidated financial statements.

Results of Operations

During the three-month period ended June 30, 2007, the Company reported a net loss of \$117,307 (\$0.01 per share), compared to a net loss of \$362,499 (\$0.01 per share) for the three-month period ended June 30, 2006. The Company generates from its term deposits a net interest income of \$37,199 compared to \$17,191 in 2006.

The office and general expenses are principally comprised of the publicity costs (press releases), the directors and officers' insurance costs, conference costs and trustee fees. During the period ended June 30, 2007, the Company participated to none (2 in 2006) mining conference. The salaries and fringe benefits, refer to the remuneration of the president (portion of which is imputed into the mining interest) and the chairman of the Company. The professional and consulting fees are comprised of legal fees for current affairs, consulting fees for the investor relations for an amount of \$13,500 (\$10,500 in 2006) and fees paid to an officer for financial services rendered for an amount of \$19,500 (\$19,500 in 2006). (See Note 5 for more details).

The variation in travel and entertainment expenses is principally attributable to the non participation to mining conferences in 2007 compared to two in 2006 and a travel done by directors to visit the mining properties in Ghana in 2006. Rent refers to the London and Montreal offices.

Liquidity and Capital Resources

During the period ended June 30, 2007, 4,119,100 warrants were exercised for a total cash consideration of \$2,630,505 (none in 2006). In addition, during the period ended June 30, 2006, the Company issued 8,596,100 (none in 2007) common shares following private placements for an amount of \$4,188,533 (none in 2007) net of the fair value of warrants amounting \$539,322 (none in 2007).

During the period ended June 30, 2007, the Company incurred \$823,424 in exploration costs, compared to \$756,056 for the period ended June 30, 2006. During the period ended June 30, 2007, the exploration work have been realized on the Bui property, the Tinga property, the Sefwi- Bibiani licenses and the Techimentia property and in Burkina Faso. The results of the exploration program are available on SEDAR (www.sedar.com).

Work completed during the quarter

During the quarter ended June 30th, 2007, our exploration efforts were expended in both Burkina Faso and Ghana. Following the conclusion of an Option Agreement with local vendor, Pyramide-M, we completed the incorporation of our Burkina Faso subsidiary, Birim Goldfields Burkina Limited. In the same period we were able to open bank accounts, hire personnel and establish operational infrastructure so that we could commence and complete drilling at two prospects (Baobab and Acacia) on the Sangolo property, Hounde Belt, Burkina Faso. This included 24 holes for 1,579 meters of reverse circulation ("RC") drilling.

On the Tinga property located on the Bui Belt in Ghana, we completed 33 RC holes for 2,283 meters on a selection of co-incident geochemical and ground geophysical targets in close proximity to the Tinga Far East prospect. Results have identified two additional prospects (Tinga B and Tinga C) which certainly warrant follow up drilling. In addition, the southern extension of the Tinga Far East prospect has been confirmed with a significant intersection of 6 meters at 2.15 g/t gold and an additional intercept of 2 meters at 21.23 g/t gold.

The results of a 10 hole (1,067 meters) drilling program confirmed the down plunge extensions of the two zones identified in the central area of the Chert Ridge prospect on the Cluster property, Bui Belt, Ghana. These included an intercept 14 meters at 2.63 g/t gold at a vertical depth of approximately 70 meters

below surface at the 220 meter long Zone A and an intercept of 7 meters at 1.01 g/t gold at a vertical depth of approximately 70 meters below surface at the 500 meter long Zone B. The 9km long gold in soil anomaly defining the Chert Ridge prospect has also been extended by a further 3km to the south along strike of the same extensive structure hosting Zones A and B.

On our Techimentia property on the Bibiani-Sefwi Belt in Ghana, we completed a detailed soil geochemistry program which has confirmed and refined two targets defined during the regional soil sampling program. These targets coincide with potentially prospective structures interpreted from airborne geophysical data. On our Banda Ahenkro property, also on the Bibiani-Sefwi Belt, additional soil geochemistry has refined the Bodi prospect, an 8km long gold in soil anomaly coincident with a structure that has a strong airborne magnetic signature.

Consolidated balance sheets

The cash and cash equivalents are comprised of cash at bank in Ghana and Montréal and term deposits in Canadian dollars at a rate of approximately 4.0%.

The accounts receivable are comprised of federal and provincial sales tax, and interest income on term deposits. The prepaid expenses are mainly comprised of the office rent in Ghana for the next year and the directors and officers insurance.

The account payable and accrued liabilities are comprised of the amounts due for the operations in Ghana and the accruals of current operations of the head office.

As at June 30, 2007, the working capital of the Company is \$3,883,141 compared to \$4,430,875 as at June 30, 2006.

Off-Balance Sheet Transactions

There are no off-balance sheet transactions.

Obligations and Contractual Commitments

There are no obligations and or contractual commitments except as described into the consolidated financial statements as at March 31, 2007.

Related party transactions

During the period, the Company paid \$19,500 (\$19,500 in 2006) in professional service fees and \$6,000 (\$6,000 in 2006) in rent, to a company controlled by an officer. These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

Capital Structure as at July 26, 2007 (outstanding)

Common shares	67,631,186
Options	4,165,000
Warrants	<u>5,909,091</u>
	<u>77,705,277</u>

Business Risks

Risks and uncertainties

The following discussion reviews a number of important risks which management believes could impact the Company's business. There are other risks, not identified below, which currently, or may in the future exist in the Company's operating environment.

Financial risk

If the exploration and development programmes are successful, additional funds will be required for further exploration and development work to identify an economic ore body or to bring any such ore body to production. The only source of future funds available to the Company is through the sale of additional equity capital and through the borrowing the funds. There is no assurance that such funding will be available to the Company.

Furthermore, even if such financing is successfully completed, there can be no assurance that it will be obtained on terms favourable to the Company or providing the Company with sufficient funds to meet its objectives, which may adversely affect the Company's business and financial condition.

Risk on the uncertainty of title

Although the Company has obtained title opinions with respect to certain of its properties and has taken reasonable measure to ensure proper title to its properties, there is no guarantee that title to any of its properties will not be challenged or impugned. Third parties may have valid claims underlying portions of the Company's interests.

Risk linked with industry conditions

Mineral exploration and development is extremely competitive and involves a high degree of risk. The Company must compete with a number of other companies that have greater technical financial resources. It involves many risks which even a combination of experience, knowledge and careful evaluation may not be able to overcome.

Many exploration programmes do not result in the discovery of mineralization and any mineralization discovered may not be of sufficient quantity or quality to be profitably mined. Commercial viability of exploiting any gold deposits encountered depends on a number of factors including infrastructure, governmental regulations, in particular those in relation to price, taxes, royalties, governmental involvement in the project in some cases by way of a carried right, importation and exportation. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered of sufficient quantity, quality, size and grade on any of the Company's exploration properties to justify commercial operations nor that any exploration property will be brought into production.

Risk linked with government regulation

The Company's activities entail compliance with the applicable environmental legislation or review processes and the obtaining of land use and other permits, and similar authorizations of overall mining operations are subject to the constraints contained in such legislation. The Company believes that it is in compliance in all material respects with such existing laws. Changing government regulations may have an adverse effect on the Company.

Outlook for the coming quarter

The combination of the onset of the West African rainy season and the scarcity of rig availability in the region will limit the amount of drilling that we would hope to accomplish during the coming quarter. Notwithstanding these impediments, Birim is ready to undertake further target definition drilling at the Chert Ridge, Tinga, Tombe Baobab and Acacia prospects. Independent consultants, RSG Global, have been engaged to complete a NI43-101 compliant resource estimate for the Tinga Far East deposit during the coming quarter, ahead of expanding the resource with further resource definition drilling. One or more of the Awisa, Brumo, Mo West and Kwakasiem targets on the Bui Belt, are also ready for initial scout drilling. The two targets on Techimentia and the Bodi prospect on Banda Ahenkro on the Bibiani-Sefwi Belt will be advanced and prioritized for drilling.

Regional reconnaissance work will continue on our existing and new licenses at both our Bui and Bibiani-Sefwi properties, pursuing extensions to known structures and adding new conceptual targets defined from the interpretation of regional data sets including airborne geophysics, satellite imagery and historical mapping.

Results from exploration will determine Birim's financial commitments for the remainder of the year. The Company will finance its exploration activities and corporate expenses primarily from working capital.

Changes in Internal Controls over Financial Reporting

There have been no changes in the Company's internal control over financial reporting that have occurred during the quarter ended June 30, 2007 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

Additional Information and Continuous Disclosure

This management's discussion and analysis has been prepared as at July 26, 2007. Additional information on the Company is available through regular filings of press releases, quarterly financial statements and annual information form on SEDAR (www.sedar.com).

July 26, 2007

(Signed) Victor J. King

Victor J. King
President

(Signed) Michel Rathé

Michel Rathé
Vice President, Finance