Energold Drilling Corp.

Form 51-102F1
Management's Discussion and Analysis
For the Period Ended March 31, 2009

INTRODUCTION

This Management's Discussion and Analysis (MD&A") of Energold Drilling Corp. ("Energold" or "the Company") is dated May 27, 2009. This MD&A should be read in conjunction with the unaudited interim consolidated financial statements of Energold Drilling Corp. and the notes thereto for the period ended March 31, 2009, which have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). All amounts referred to herein are in Canadian dollars unless otherwise specified. Additional information relating to the Company including material change notices, certifications of annual and interim filings, and press releases are available on the Canadian System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com.

This document contains forward-looking statements. Please refer to "NOTE REGARDING FORWARD-LOOKING STATEMENTS."

CORPORATE OVERVIEW

Energold is one of the world's fastest growing diamond drilling contractors primarily serving the mining and mineral exploration industries in three geographic segments; Mexico, the Caribbean and Central America; South America; and Africa, Asia and other. Energold specializes in operating highly-portable drilling rigs which have a smaller environmental impact than conventional rigs and which are adaptable to meet the varied needs of its customers. The Company also holds mineral exploration properties in the Dominican Republic and Mexico, both directly and through the 6.65 million shares that it holds in IMPACT Silver Corp. ("IMPACT"). The Company's interest in IMPACT is currently accounted for on an equity basis.

INDUSTRY OVERVIEW

Energold has traditionally been engaged by and seen demand for its services from three groups of customers; gold mining companies, base metal mining companies, and junior exploration companies. Each of these groups is influenced by distinct market forces. In the last few years, historically high prices for many commodities drove the industry to record levels of activity. In the fourth quarter of 2008 demand for drilling services weakened significantly and now in the second quarter of 2009 we are again seeing an increasing level of interest from our customers.

Senior and intermediate base metal and gold mining companies have been successful in raising capital in early 2009 and while exploration budgets have been reduced we are seeing an increase in activity in the second quarter of 2009 as compared to the first quarter of 2009. However, financing for junior exploration companies, and thus their demand for drilling services, continues to be limited. Consequently the Company expects the demand for its drilling services will continue to be impacted by the current economic environment in the short to medium-term.

OUTLOOK AND BUSINESS STRATEGY

As a result of the current economic uncertainty, there is currently very broad volatility in the demand for Energold's drilling services and accordingly the Company cautions that actual results may vary substantially from all forward-looking information in this MD&A.

While the challenges posed by the current economic environment serve to limit our visibility in the short-term, it is clear that as and when drilling activities rebound Energold will be poised for growth once again. Second quarter revenue will likely increase from the first quarter; however will likely be below revenue recorded in the second quarter of 2008. Lower levels of demand have increased competitive pressures and thus pricing and margins will be lower than in 2008. The Company employs a variable cost structure and thus when revenues decrease so do the majority of the Company's costs. However, there are certain semi-variable operating costs that we do not wish to reduce in the current period of slower demand. This is a strategic decision on the part of the Company to continue to grow and to improve quality of service.

Despite the difficult environment, the Company expects to continue generating positive cash flow and improve its working capital in 2009. The Company's strategic goal is to continue to enhance cash reserves to fuel further growth when market conditions improve. While Energold remains open to exploring suitable acquisitions, the Company's primary focus continues to be on organic growth through new rig development and expansion into new markets.

With a modern fleet of drilling rigs and the continued opening up of new operating regions, we have laid the seeds for future growth in five continents. The Company is also developing additional technical ability in complimentary activities including underground drilling. The latter is a response to certain client's requests that we provide full service to their operations. Energold took delivery of one new surface drilling rig and two new underground drilling rigs in the first quarter, bringing the total number of rigs to 78. One more underground rig has been ordered with expected delivery in the second quarter. The underground rigs are similar to our existing surface rigs, using approximately ninety percent of the same equipment and supplies as our surface rigs use. This substantially reduces crew training time and inventory requirements.

The Company has started drilling for two companies with iron ore projects. This is a new type of drilling for the Company and initial results are proving to be very positive, demonstrating that our rigs are capable of good production and excellent recoveries in very difficult ground.

OVERALL PERFORMANCE

The first quarter traditionally starts slowly after the holiday break with most programs beginning in the latter half of January. This year, with the uncertainty in global markets, many customers delayed drilling programs to begin later in the first quarter and others programs have been postponed indefinitely. These delays impacted revenues and profits in the first quarter of 2009 significantly. Despite the slowdown in drilling activity in the first quarter of 2009, the Company remained profitable and cash flow positive.

Revenues for the quarter were $3.85 million, down 55% from $8.62 million in the first quarter of 2008. Average revenue per meter increased to $188 in the first quarter, up from $152 in the first quarter of 2008 as a result of the Canadian dollar weakening against the U.S. dollar.

Energold drilled 20,490 meters in the first quarter, down 64% from 56,862 meters in the first quarter of 2008. While the total meters drilled were less than targeted the trend appears to be changing as companies are once again commencing exploration, but on a more cautious basis. Drilling activity in the first quarter has been primarily in Mexico and Brazil, whereas in Central America, the Caribbean, and Africa, exploration activity has been very slow.

Gross margin percentage for the quarter decreased to 22.3% in the first quarter as compared to 40.2% in the first quarter of 2008. Reduced pricing and the certain fixed operating costs accounted for the decrease in gross margin percentage. The lower gross margin percentage is also a result of a higher proportion of drilling at mine sites and less frontier exploration which generally occurs later in the drilling season.

Net income for the quarter was $0.4 million ($0.01 per share – basic and diluted), down 77% from $1.77 million ($0.06 per share – basic and $0.05 per share – diluted) in the first quarter of 2008.

Cash flows from operations in the first quarter were $0.5 million, up $1.3 million from cash flows used in operations of $0.8 million in the first quarter of 2008.

Energold has a strong balance sheet with a working capital position of $50.3 million and cash and cash equivalents of $22.9 million at March 31, 2009. The majority of these funds are held with Canadian Chartered Banks.

SELECT FINANCIAL AND OPERATING INFORMATION

	Three months ended March 31		
	2009	2008	% Change
Revenue ($000s)	**3,851**	8,625	-55%
Gross margin* ($000s)	**858**	3,465	-75%
Gross margin percentage*	**22.3%**	40.2%	
Net income ($000s)	**403**	1,769	-77%
Earnings per share – basic ($)	**0.01**	0.06	
Earnings per share – diluted ($)	**0.01**	0.05	
Meters drilled	**20,490**	56,862	-64%

* Gross margin and gross margin percentage are non-GAAP measures. See "NON-GAAP MEASURES."

SELECT FINANCIAL AND OPERATING INFORMATION - continued

	Mar 31 2009	Dec 31 2008	Sept 30 2008	June 30 2008	Mar 31 2008	Dec 31 2007
Drill rig fleet	**78**	75	72	69	49	41
Cash and cash equivalents ($000's)	**22,867**	22,574	17,361	20,421	20,673	20,705
Total assets ($000's)	**70,386**	70,441	71,429	64,908	54,447	50,328
Total liabilities ($000's)	**6,873**	7,465	11,578	8,450	7,025	6,180
Shareholders' equity ($000's)	**63,512**	62,976	59,851	56,458	47,422	44,148

RESULTS OF OPERATIONS

Three Months Ended March 31, 2009 Compared to the Three Months Ended March 31, 2008

Net income for the three months ended March 31, 2009 decreased to $0.4 million ($0.01 per share – basic and diluted), down 77% from $1.77 million ($0.06 per share – basic and $0.05 per share - diluted) in the same period in 2008.

Net income for the three months ended March 31, 2009 was impacted by the following factors:

- Revenues decreased to $3.85 million in the first quarter, down 55% from $8.62 million in the first quarter of 2008. The decrease in revenues is attributed to the delays of drilling programs this year as a result of the global economic uncertainty. Average revenue per meter increased to $188 in the first quarter as compared to $152 in the first quarter of 2008. With the majority of the Company's contracts denominated in U.S. dollars, the increase is a result of the weaker Canadian dollar in the first quarter of 2009 as compared to the first quarter of 2008. In U.S. dollar terms average revenue per meter was unchanged.

- Gross margin[1] decreased to $0.86 million in the first quarter, down 75% from $3.46 million in the first quarter of 2008. Gross margin percentage[1] was 22.3% in the first quarter of 2009 compared to 40.2% in the same period in 2008. The decrease in gross margin percentage was a result of a number of factors. The Company noted increases in other taxes levied in certain foreign countries in which the Company operates and increases in the price of consumables purchased in the latter half of 2008 and consumed in the first quarter of 2009. These increases as well as certain fixed operating costs which cannot be eliminated more than offset the positive foreign exchange translation on revenues.

- Indirect and administrative expenses decreased to $1.22 million in the first quarter, down from $1.46 million in the first quarter of 2008. The decrease was the result of a number of factors. In the first quarter of 2008 the Company spent $0.5 million on business development investigations for which there was no comparable cost in the first quarter of 2009. The Company recorded a recovery of bad debt expense of $0.25 million in the first quarter of 2009 for which there was no comparable expense or recovery in the first quarter of 2008. All other categories of indirect and administrative expenses increased slightly in the first quarter of 2009 as compared to the first quarter of 2008.

- A foreign exchange gain of $0.73 million was recognized in the first quarter as compared to a foreign exchange gain of $0.54 million in the first quarter of 2008. The Canadian dollar weakened against the U.S. dollar in both the first quarter of 2008 and the first quarter of 2009 which gave rise to the foreign exchange gains. The gain was larger in 2009 as the Company had a greater amount of U.S. dollar denominated cash and accounts receivable at March 31, 2009 as compared to March 31, 2008.

- Current income taxes decreased to $0.29 million in the first quarter, down from $0.86 million in the first quarter of 2008. The decrease in current income taxes is a result of the lower profitability in the first quarter as compared to the first quarter of 2008.

[1] Gross margin and gross margin percentage are non-GAAP measures. See "NON-GAAP MEASURES."

OTHER FINANCIAL INFORMATION

Summary of Quarterly Results

The following table presents our unaudited quarterly results of operations for each of the last eight quarters. All figures are in thousands of Canadian dollars except earnings per share:

	For the three months ended ($000's except per share amounts)							
	Mar 31 2009	Dec 31 2008	Sept 30 2008	Jun 30 2008	Mar 31 2008	Dec 31 2007	Sept 30 2007	Jun 30 2007
Revenue	3,851	7,974	14,264	11,399	8,625	7,144	6,891	6,302
Net income from continuing operations	403	3,135	3,410	2,370	1,769	1,994	700	1,541
Earnings per share from continuing operations – Basic*	0.01	0.09	0.10	0.07	0.06	0.06	0.02	0.06
Earnings per share from continuing operations – Diluted*	0.01	0.09	0.10	0.07	0.05	0.06	0.02	0.06
Net income	403	3,135	3,410	2,370	1,769	3,063	2,756	1,836
Earnings per share - Basic*	0.01	0.09	0.10	0.07	0.06	0.10	0.09	0.07
Earnings per share - Diluted*	0.01	0.09	0.10	0.07	0.05	0.09	0.09	0.07
Cash and cash equivalents	22,867	22,574	17,361	20,421	20,673	20,705	20,606	21,793
Total assets	70,386	70,441	71,429	64,908	54,447	50,328	45,310	48,591
Total liabilities	6,873	7,465	11,578	8,450	7,025	6,180	5,702	13,643

* Per share numbers have been rounded to two decimal places

Liquidity and Capital Resources

The Company's financial position at March 31, 2009 remains strong with $22.9 million in cash and cash equivalents (December 31, 2008 - $22.6 million) and net working capital of $50.3 million (December 31, 2008 - $49.4 million).

Cash flows from operations in the first quarter were $0.5 million, up $1.3 million from cash flows used in operations of $0.8 million in the first quarter of 2008.

During the first quarter the Company used $0.7 million in cash for investing activities, primarily for the purchase of equity positions in several drilling clients. For accounting purposes these are classified as short-term investments. The Company did not have any cash flows from financing activities in the first quarter.

In the opinion of management, the working capital at March 31, 2009, together with the future cash flows from operations, is sufficient to support the Company's normal operating requirements on an ongoing basis. Capital expenditures in 2009 are estimated to be approximately $1.2 million for continued drill fleet expansion.

Outstanding Share Data

The following common shares and stock options of the Company were outstanding at May 27, 2009:

	# of Shares	Exercise Price	Expiry Date
Issued and outstanding common shares at May 27, 2009	34,128,048		
Stock options outstanding	713,500	$1.20	May 3, 2010
Fully Diluted at May 27, 2009	34,841,548		

All of the stock options outstanding have vested as at May 27, 2009.

EQUITY HOLDINGS

IMPACT Silver Corp. (IPT: TSX.V)

Energold owns 6.65 million shares or 13.85% of the issued and outstanding shares of IMPACT at March 31, 2009. The Company, through mutual management at the executive level and its shareholding and directorships in IMPACT, exercises significant influence over IMPACT and, as a result, the investment is accounted for using the equity method of accounting. This investment is carried on the Company's balance sheet at $3.35 million.

Since inception in 2006, IMPACT has grown from an exploration company into a significant silver producer with production levels increasing year-over-year. The Company has acquired control of almost two entire mineral districts in central Mexico; the 272 km² Royal Mines of Zacualpan Silver District and the 200 km² Mamatla Mineral District immediately southwest of Zacualpan. The Company also controls the Veta Grande Silver Project in the Zacatecas Silver District, Mexico. IMPACT currently produces concentrates containing silver, lead, zinc and gold at the 500 tonnes per day ("tpd") Guadalupe Processing Plant. The Company also owns a 200 tpd semi-portable processing plant located at Zacualpan, bringing total throughput capacity to 700 tpd.

IMPACT is currently undertaking a three-part process of exploration and exploitation at the Royal Mines of Zacualpan Silver District. The Company has three specific objectives aligned to each activity area. The first objective is to enhance immediate economically recoverable throughput until the current maximum rated capacity of 500 tpd is achieved. In the first quarter of 2009 the Guadalupe mill processed an average of 329 tpd, up 23% from the first quarter of 2008. The second objective is to continue exploration and prepare for development of the new sources of ore which will justify expansion of our current facility or the construction of new processing plants. The third objective is to continue the reconnaissance exploration program designed to evaluate the longer term potential of this 500-year-old mining district. In the first quarter of 2009 IMPACT continued to make progress towards each of these three objectives.

IMPACT Silver Corp. Production for the three months ended March 31, 2009

	Three months ended				Three months ended		
	March 31 2009	March 31 2008	% Change		March 31 2009	Dec 31 2008	% Change
Total tonnes produced	29,569	24,247	+22%		29,569	26,343	+12%
Tonnes produced per day	329	266	+23%		329	286	+15%
Silver production (oz)	229,710	131,859	+74%		229,710	213,876	+7%
Lead production (tonnes)	276	162	+71%		276	257	+7%
Zinc production (tonnes)	343	275	+25%		343	300	+14%
Revenue per production tonne sold	$129.69	$110.81	+17%		$129.69	$86.03	+51%
Direct costs per tonne produced	$53.19	$50.63	+5%		$53.19	$56.82	-6%

Note: all measurements are metric (other than silver) and are subject to smelter settlements.

IMPACT Silver Corp. Financial Results for the three months ended March 31, 2009

	Three months ended ($000s except per share amounts)		
	March 31 2009	March 31 2008	% Change
Revenue	1,457	2,687	-46%
Mine operating earnings*	750	1,274	-41%
Net income	68	845	-92%
Earnings per share – basic	0.00	0.02	
Earnings per share – diluted	0.00	0.02	

* Includes amortization and depletion for the three months ended March 31, 2009 of $98,000 (March 31, 2008 - $185,000).

SAFETY, SOCIAL AND ENVIRONMENTAL POLICY

Exploration and drilling create a physical change within the area of work. The Company believes in its responsibility to ensure that it minimizes the environmental impact of its efforts. The development of our drills is a direct successful offshoot of the need to explore with a light footprint using a drill pad of very limited size, which does not require the construction of roads and complex access.

The equipment, however, is only a part of the equation. Our employees and contract personnel are aware and continually reminded that environmental issues and safety cannot be compromised. The Company has published social, environmental and other policies related to its field programs.

We work as part of the community, whose members must be kept informed of our activities and their concerns addressed. Wherever possible, the local community should participate in the benefits that may flow from the Company's activities. The use of local personnel as drillers, driller's helpers and workers fosters direct involvement in the programs conducted by the Company.

The Company has published specific policies and regulations to address the above, as well as our ongoing concern for safety. Work being conducted by or on behalf of the Company should be well planned, safe and with a concern for the environment and communities surrounding us. The Company developed and published a driller's safety manual for its staff and has commenced a provisional safety audit program.

CONTRACT DRILLING RISK FACTORS

The Company is faced with a number of risks with respect to its contract drilling operations as well as its property exploration activities. Contract drilling is a highly competitive industry, where numerous competitors may tender bids for contracts. The Company's ability to continue to secure profitable contracts on an ongoing basis is not assured. Like every business operating internationally, the Company faces numerous risks in its day-to-day business operations which are highlighted in the headings below and briefly summarized.

Cyclical Industry Risks

The contract drilling industry is reliant on demand from two primary categories of commodities, gold and base metals, while certain industrial minerals may also be tested. Under favourable market conditions, rising commodity prices normally spur an increased demand for drilling services; however, cyclical downturns in commodity prices can have the opposite effect and the Company could be exposed to an investment in drilling equipment and supplies which might not be able to be utilized to their full capacity.

Reliance on Key Accounts

From time to time, the Company may be dependent on a small number of customers for a significant portion of its overall drilling revenues and net income.

Workforce Availability

The Company, like all drilling companies, has been impacted by the shortage of qualified skilled drillers as the industry adjusts from a period of many years of low mining exploration activity to a new cyclical upturn. Drilling is as much an art as a science and it takes considerable time and experience for an individual to become a well-qualified driller. The Company is addressing this issue in a number of ways. In certain countries, it is developing and training a local work force. It also is hiring overseas and developing incentive programs to retain its driller work force. If the Company cannot hire or train the drillers, it will result in lower rig utilization and loss of revenues.

Extreme Weather Conditions

The Company operates in a variety of locations and areas in the world, some of which are subject to extreme weather conditions which can have a significant impact on operations.

Foreign Countries and Regulatory Requirements

Contract drilling, mineral exploration and mining activities may be affected in varying degrees by political instability and government regulations relating to the mining industry and foreign investors therein. Any changes in regulations or shifts in political conditions are beyond the control of the Company and may adversely affect its own, or its clients' business outlook. Operations may be affected in varying degrees by government regulations with respect to restrictions on production, price controls, export controls, income taxes, and expropriation of property, environmental legislation and mine safety.

Environmental and Other Regulatory Requirements

The current or future operations of the Company and its clients involving contract drilling, exploration, development activities and commencement of production on their properties require permits from various federal, state, and local governmental authorities. Such operations are and will be governed by laws and regulations governing prospecting, development, mining, production, exports, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters. Regulatory requirements and environmental standards are subject to constant evaluation and may be significantly increased, which could significantly adversely affect the business of the Company and its clients in any jurisdiction in which the Company operates.

Permits and Licences

The operations of the Company and its clients may require licenses and permits from various governmental authorities. There can be no assurance that the Company or its clients will be able to obtain all necessary licenses and permits that they may require to carry out contract drilling or exploration, development and mining operations on their mineral properties.

Mineral Exploration and Development Risks

In addition to these risks with respect to its contract drilling operations, the Company could face certain additional risks to those already identified above, with respect to its mineral exploration activities, if it were to resume such activities on an active basis. While the Company retains a core legacy of mineral concession exploration properties in the DR, from its historic roots as a mineral exploration company, it does not currently have any plans to resume exploration activities on these mineral property concessions for its own account. Rather, the Company intends to realize value with respect to these mineral property concessions by various means, including the possible sale or optioning of such property concessions to others, as the Company deems advisable. The Company believes that current exploration efforts by other mineral exploration companies in the DR are enhancing the future value of these mineral exploration concessions and that further opportunities to realize value for these concessions will come available to the Company over the next year.

Because the Company's management has had considerable prior experience in mining operations, it understands that the exploration for and development of mineral deposits is a speculative venture necessarily involving substantial risks. Management understands that very few properties which are explored will result in the discoveries of commercially viable mineral deposits which will ultimately be developed into a profitable commercial mining operation. It is for this reason that the Company has chosen to reduce its business risk to its shareholders by using its mining knowledge and know how to provide contract drilling services to the mining and mineral exploration sectors, thus providing an essential service available to mining and mineral exploration companies with a contract drilling service offered in a cost effective and environmentally friendly manner.

FINANCIAL INSTRUMENTS AND MANAGEMENT OF FINANCIAL RISK

Financial Assets and Liabilities

The Company's financial instruments consist of cash and cash equivalents, restricted cash, accounts receivable, short-term investments and accounts payable and accrued liabilities. For cash and cash equivalents, restricted cash, accounts receivable, and accounts payable and accrued liabilities, carrying value is considered to be fair value due to the short-term nature of these instruments. The fair value of short-term investments represents the market value of quoted investments.

Financial Instrument Risk Exposure

The Company's financial instruments are exposed to a number of financial and market risks including credit, liquidity, currency, and interest rate risks. The Company may, or may not, establish from time to time active policies to manage these risks. The Company does not currently have in place any active hedging or derivative trading policies to manage these risks since the Company's management does not believe that the current size, scale and pattern of cash flow of its operations would warrant such hedging activities.

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Financial instruments that potentially subject the Company to credit risk include cash and cash equivalents, restricted cash, accounts receivable and short-term investments. The Company deposits its cash and cash equivalents with high credit quality financial institutions as determined by ratings agencies, with the majority deposited with a Canadian Tier 1 Bank. The Company provides credit to its customers in the normal course of its operations. The Company diversifies its credit risk by dealing with a large number of customers in various countries.

The Company's maximum exposure to credit risk at the reporting date is the carrying value of its cash and cash equivalents, restricted cash, accounts receivable and short-term investments.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they fall due. The Company manages liquidity by maintaining cash and cash equivalent balances available to meet its anticipated operational needs. The Company has not been required to establish committed credit facilities but will do so as necessary. Liquidity requirements are managed based on expected cash flow to ensure that there is adequate capital to meet short-term and long-term obligations. The Company has in place a planning and budgeting process to help determine the funds required to support the Company's normal operating requirements on an ongoing basis and its growth plans. At March 31, 2009 the Company's accounts payable and accrued liabilities were $2,909,121, all of which fall due for payment within twelve months of the balance sheet date. The Company has minimal long-term commitments.

Currency risk

The Company operates on an international basis on five continents and therefore, currency risk exposures arise from transactions denominated in foreign currencies. The majority of its international contracts are denominated in U.S. dollars. Thus its currency risk arises primarily with respect to the U.S. dollar. However, the Company also incurs operating costs in local currencies in various countries in which it carries on active business operations. The Company has elected not to actively manage our currency risk at this time.

At March 31, 2009 the Company is exposed to currency risk through cash and cash equivalents, accounts receivable, and accounts payable and accrued liabilities held in U.S. dollars and Mexican pesos. Based on these foreign currency exposures at March 31, 2009, a 5% depreciation or appreciation of all the above currencies against the Canadian dollar would result in an approximate $0.8 million decrease or increase in the Company's net income.

Interest rate risk

Interest rate risk is the risk that the fair value and future cash flows of the Company will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk on its cash and cash equivalents. The Company did not have any borrowings outstanding as at March 31, 2009.

Changes in Accounting Policies – Adoption of New Accounting Policies

Effective January 1, 2009, the Company adopted the new Canadian Institute of Chartered Accountants ("CICA") Handbook Section 3064, *Goodwill and Intangible Assets*. This section replaces CICA Handbook Section 3062, *Goodwill and Intangible Assets*, and establishes revised standards for the recognition, measurement, presentation and disclosure of goodwill and intangible assets. The new standard also provides guidance for the treatment of various pre-production and start-up costs and requires that these costs be expensed as incurred, with the concurrent withdrawal of CICA Emerging Issues Committee Abstract 27. The adoption of Section 3064 did not result in a material impact on the Company's consolidated financial statements.

In March 2009, the CICA issued EIC-174, "Mining Exploration Costs." The EIC provides guidance on the accounting and the impairment review of exploration costs. This standard is effective for our fiscal year beginning January 1, 2009. The adoption of EIC-174 did not result in a material impact on the Company's consolidated financial statements.

Recent Accounting Pronouncements Issued But Not Yet Implemented

In January 2009, the CICA issued Sections 1582 – *Business Combinations*, 1601 – *Consolidated Financial Statements* and 1602 – *Non-controlling Interests* which replace CICA Sections 1581 – *Business Combinations* and 1600 - *Consolidated Financial Statements*. Section 1582 establishes standards for the accounting for business combinations that is equivalent to the business combination accounting standard under International Financial Reporting Standards ("IFRS"). Section 1582 is applicable for the Company's business combinations with acquisition dates on or after January 1, 2011. Early adoption of this Section is permitted. Section 1601 together with Section 1602 establishes standards for the preparation of consolidated financial statements. Section 1601 is applicable for the Company's interim and annual consolidated financial statements for its fiscal year beginning January 1, 2011. Early adoption of this Section is permitted. If the Company chooses to early adopt any one of these Sections, the other two Sections must also be adopted at the same time.

International Financial Reporting Standards ("IFRS")

In February 2008, the Canadian Accounting Standards Board confirmed that IFRS will replace current Canadian GAAP for publicly-accountable, profit-oriented enterprises effective January 1, 2011. The transition date of January 1, 2011 will require the restatement, for comparative purposes, of amounts reported for the year ended December 31, 2010.

The Company is currently in the process of identifying the differences between Canadian GAAP and IFRS and identifying how these differences may affect the reporting of the Company's financial results. A project plan is being developed and resource and training requirements are being assessed. Over the next two years changes will be implemented and work performed to ensure the accuracy and effectiveness of the transition to IFRS. At this time it is not possible to determine how reporting according to IFRS will affect future financial statements.

DISCLOSURE CONTROLS AND INTERNAL CONTROL OVER FINANCIAL REPORTING

Disclosure Controls and Procedures

Disclosure controls and procedures are designed to provide reasonable assurance that material information is gathered and reported to senior management, including the Chief Executive Officer and Chief Financial Officer, as appropriate to permit timely decisions regarding public disclosure.

Management, including the Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the design and operation of the Company's disclosure controls and procedures as defined by the Canadian Securities Administrators (CSA), as at March 31, 2009. Based on this evaluation, the Chief Executive Officer and the Chief Financial Officer have concluded that the Company's disclosure controls and procedures were effective to ensure that information required to be disclosed in reports filed or submitted by the Company under Canadian securities legislation is recorded, processed, summarized and reported within the time periods specified in those rules.

Management's Report on Internal Control over Financial Reporting

The Company's management is responsible for establishing and maintaining adequate internal control over financial reporting. Any system of internal control over financial reporting, no matter how well designed, has inherent limitations and may not prevent or detect misstatements. Therefore even those systems determined to be effective can only provide reasonable assurance with respect to financial statement preparation and presentation. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

After reviewing our overall Company's internal controls and financial reporting and disclosure systems, management is satisfied that as at March 31, 2009 the Company has designed overall controls and systems to meet the needs of the Company, its shareholders, and other stakeholders who rely on the Company's financial information and reporting systems.

Changes in Internal Control over Financial Reporting

There have been no changes in the Company's internal control over financial reporting during the three months ended March 31, 2009 that have materially affected, or are reasonably likely to materially affect, its internal control over financial reporting.

Approval

The Board of Directors oversees management's responsibility for financial reporting and internal control systems through an Audit Committee. This Committee meets periodically with management and the independent auditors to review the scope and results of the annual audit and to review the financial statements and related financial reporting and internal control matters before the financial statements are approved by the Board of Directors and submitted to the shareholders of the Company. The Board of Directors of Energold has approved the financial statements and the disclosure contained in this MD&A. A copy of this MD&A will be provided to anyone who requests it.

NON-GAAP MEASURES

The Company uses both GAAP and non-GAAP measures to assess performance and believes the non-GAAP measures provide useful information to investors to help in evaluating the Company's performance. Following are the non-GAAP measures the Company uses in assessing performance:

Gross margin: Calculated as Revenue from Drilling Contracts less Direct Drilling Costs.

Gross margin percentage: Calculated as (Gross margin divided by Revenue from Drilling Contracts) x 100.

The Company's method of calculating these non-GAAP measures may differ from other entities and, accordingly, may not be comparable to measures used by other entities. Investors are cautioned, however, that these measures should not be construed as an alternative to measures determined in accordance with GAAP as an indicator of the Company's performance.

NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Management's Discussion and Analysis ("MD&A") contains certain forward-looking statements and information relating to Energold Drilling Corp. ("Energold" or "the Company") that are based on the beliefs of its management as well as assumptions made by and information currently available to Energold. When used in this document, the words "anticipate", "believe", "estimate", "expect" and similar expressions, as they relate to the Company or its management, are intended to identify forward-looking statements. This MD&A contains forward-looking statements relating to, among other things, regulatory compliance, the sufficiency of current working capital, the estimated cost and availability of funding for the continued exploration and development of the Company's exploration properties. Such statements reflect the current views of the Company with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements.

Additional Information

Additional information relating to Energold is on SEDAR at www.sedar.com.

On behalf of the board of directors,

"Frederick W. Davidson",
President and Chief Executive Officer

May 27, 2009