

Q-GOLD RESOURCES LTD.

MANAGEMENT'S DISCUSSION AND ANALYSIS

**INTERIM REPORT FOR THE THREE MONTHS ENDED MARCH 31, 2007
DATED MAY 30, 2007**

GENERAL

The following Management's Discussion and Analysis ("MD&A") should be read in conjunction with the unaudited Consolidated Financial Statements for the three months ended March 31, 2007 of Q-Gold Resources Ltd. ("Q-Gold" or the "Corporation") and the notes thereto.

This MD&A was prepared in conformity with National Instrument 51-102F1 and has been approved by the Corporation's Board of Directors prior to release. Under this Instrument, the Corporation is defined as a "Venture Issuer".

OVERALL PERFORMANCE

The Corporation is involved in mineral exploration on its 34,040 acres (as of the date of this report) of prospective gold claims, leases and patents within the Archean Greenstone Belt of Northwestern Ontario (the "Mineral Properties"). The Mineral Properties include the Foley and Golden Star gold mines, both located in the historic gold mining camp at Mine Centre. These two mines combined, produced over 16,000 ounces of gold in the late 1890's and 1930's and have remained undeveloped ever since. Currently the Mineral Properties are only in the exploration stage and the Corporation has not conducted any development or mining operations on them.

OVERALL PERFORMANCE

The Corporation's principal activities during the first three months of 2007 were in planning and preparing for the 2007 exploratory drilling program, which was initiated in March. In addition, the Corporation continued with its plans to dewater the Foley Gold Mine for underground exploration. De-watering of the Foley is expected to commence later this summer. Once the mine has been de-watered to a suitable level and safe entry declared by mining engineers, the Corporation plans to begin inspection and exploration activities on the over 2.5 kilometres of existing underground drifting in the mine. Production from the mine is not anticipated during 2007.

During the three months ending March 31, 2007, the Corporation acquired options on two key properties in the Mine Centre area, the Manhattan Gold Mine and the Iron Ridge Prospect, which encompasses 1,520 acres along the Western shore of Bad Vermilion Lake. Also, the Corporation in February completed the acquisition of all of the assets of Nipigon Gold Resources Ltd., which included two important known gold occurrences in the Mine Centre area, the McKenzie Gray and Jolly Roger Gold Veins.

The Corporation completed two equity financings during the first three months of 2007 totaling \$306,751 (gross) to fund general and administrative expenditures.

RESULTS OF OPERATIONS

As the Corporation is currently a mineral exploration company, it did not have any revenues or profits from operations and does not expect to receive any income from the Mineral Properties in the near future. Results

from exploration activities, coupled with the price of gold, will materially affect any future development plans for the Mineral Properties.

The Corporation remains optimistic about the outlook for gold prices through 2007-2008 and looks forward to continuing an active exploration program on the Mineral Properties through that period.

SUMMARY OF QUARTERLY RESULTS

The following table shows financial results from the Corporation’s eight most recently completed quarters:

	2007	2006				2005		
	1 st Qtr.	4 th Qtr.	3 rd Qtr.	2 nd Qtr.	1 st Qtr.	4 th Qtr.	3 rd Qtr.	2 nd Qtr.
Total Revenues	\$ 7,238	\$ 9,116	\$ 3,705	\$2,114	\$ 772	\$ 1,772	\$ 875	\$ 892
Income (Loss) before discontinued operations & extraordinary items	(792,028)	(335,449)	(371,419)	(620,783)	(93,171)	(166,539)	(58,973)	(52,552)
Income (Loss) per Share	(0.02)	(0.01)	(0.02)	(0.03)	(0.01)	(0.04)	(0.00)	(0.00)
Income (Loss) per diluted share	(0.01)	(0.01)	(0.01)	(0.02)	(0.00)	(0.02)	(0.00)	(0.00)
Net Income (Loss)	(757,469)	(357,122)	(348,832)	(644,756)	(89,462)	(119,598)	(34,465)	(76,228)
Net Income (Loss) per Share	(0.02)	(0.02)	(0.02)	(0.03)	(0.01)	(0.03)	(0.00)	(0.00)
Net Income (Loss) per diluted share	(0.01)	(0.01)	(0.01)	(0.02)	(0.00)	(0.02)	(0.00)	(0.00)

FINANCIAL CONDITION

For the three months ending March 31, 2007, Q-Gold reported (prior to extraordinary items) a loss of \$792,028 (\$0.02 per share) versus a loss of \$93,171 (\$0.01) in the same period of 2006. The increased losses reported by the Corporation in 2007 over the same period in the previous year is the result of increased exploration work on the Mineral Claims, the costs of which are expensed and charged against earnings until economically recoverable reserves are established. Until Q-Gold can establish economically recoverable reserves and initiate mineral production on the Mineral Claims, the outlook for both cash flow and profit will be negative. In the near-term, the Corporation anticipates being able to fund its 2007 exploration activities from cash on hand and, as required, will obtain additional funds via equity financings to continue exploration activities on the Mineral Claims, as well as general corporate activities (see “Liquidity and Capital Resources”, below).

LIQUIDITY AND CAPITAL RESOURCES

At March 31, 2007, the Corporation had a working capital surplus of \$1,563,353. In April of 2007, the Corporation completed an equity financing resulting in gross proceeds of \$1,202,500.

ADDITIONAL DISCLOSURES

For the three months ending March 31, 2007, the Corporation incurred exploration expenses totaling \$625,707 (2006 - \$5,718) on the Mineral Properties. General and Administrative Expenditures for the period

totaled \$173,559 (2006 - \$88,225). The increase in expenditures over these compared periods is discussed in the “Financial Condition” section above.

OUTSTANDING SHARE DATA

The Corporation’s authorized capital consists of an unlimited number of common shares (“Common Shares”) and an unlimited number of first and second preferred shares (“Preferred Shares”). A total of 39,589,293 Common Shares were issued and outstanding and 72,220,875 Common Shares on a fully-diluted basis as of the date of this MD&A. No Preferred Shares were issued as of the date of this MD&A. Of the Corporation’s common shares included in the issued and outstanding total above, 2,299,576 are in escrow with Computershare Trust Company of Canada and will be released incrementally every six months, with the final release scheduled on September 27, 2008.

As of the date of this MD&A, the Corporation has 2,570,000 stock options outstanding to Directors, Officers and Consultants of the Corporation at an option prices ranging from \$0.20 to \$0.27 per share, with expiry ranging from September 16, 2010 to February 6, 2012. As a result of completed financings, there are purchase warrants and Agent’s Options outstanding, allowing for the purchase of an additional 30,061,582 common shares of the Corporation, with exercise prices ranging from \$0.18 to \$0.35 and expiration dates from August 18, 2007 to April 19, 2009.

FORWARD LOOKING STATEMENTS

Certain statements contained in the MD&A constitute forward-looking statements. Such forward-looking statements involve a number of known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Corporation to be materially different from actual future results and achievements expressed or implied by such statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statements were made.

MANAGEMENT’S RESPONSIBILITY FOR FINANCIAL INFORMATION

Management has prepared the information and representations in this unaudited interim MD&A. The financial statements have been prepared in conformity with generally accepted accounting principles in Canada and, where appropriate, reflect management’s best estimates and judgment. The financial information presented throughout this MD&A is consistent with the data presented in the financial statements.

Q-Gold maintains adequate systems of internal accounting and administrative controls, consistent with reasonable cost. Such systems are designed to provide reasonable assurance that relevant and reliable financial information is produced.

The Board of Directors, through its Audit Committee, is responsible for ensuring that management fulfils its responsibilities for financial reporting and internal control. The Audit Committee is composed of three directors. This Committee meets periodically with management and the external auditors to review accounting, auditing, internal control and financial reporting matters.

ADDITIONAL INFORMATION

Additional Information on Q-Gold, including Quarterly and Annual Financial Statements, an Annual Information Form, an Information Circular and the NI 43-101 Qualifying Report on the Corporation’s Properties are all available on SEDAR at www.sedar.com.