PATRIOT GOLD CORP
Form 10QSB
January 14, 2005

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-QSB

(MARK ONE)
[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

For the Quarterly Period Ended November 30, 2004

OR

[ ] 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 000-32919

PATRIOT GOLD CORP.

(Exact name of registrant as specified in its charter)

Nevada	86-09
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer I

#501-1775 Bellevue Avenue, West Vancouver, British Columbia Canada V7V 1A9
(Address of principal executive offices) (Zip Code)

(604) 925-5257
(Registrant's telephone number, including area code)

(Former name, former address and former fiscal year, if changed since last report)

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. X Yes __ No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Common Stock, $0.001 par value, 29,279,400 shares outstanding as of January 7, 2005.

Transitional Small Business Disclosure Format (elect one) ___ Yes __X___ No

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PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS.

PATRIOT GOLD CORP.
(An Exploration State Company)
BALANCE SHEETS

	(Unaudited) November 30, 2004
ASSETS:	
Current Assets:	
Cash	$ 4,056,102
Prepaid Expense	79
GST Receivables	1,946
Total Assets	$ 4,058,127
LIABILITIES & STOCKHOLDERS' EQUITY:	
Current Liabilities:	
Accounts Payable	$ 26,620
Accrued Expense	2,489
Total Liabilities	29,109
Stockholders' Equity:	
Preferred Stock, Par Value $.001 Authorized 20,000,000 shares, No shares issued at November 30, 2004 and May 31, 2004	-
Common Stock, Par Value $.001 Authorized 100,000,000 shares, Issued 29,279,400 shares at November 30, 2004 and May 31, 2004	29,279
Paid-In Capital	26,376,487
Subscription Receivable	(79,000)
Currency Translation Adjustment	(16,361)
Deficit Accumulated Since Inception of Exploration State	(22,240,305)
Retained Deficit	(41,082)

Total Stockholders' Equity	4,029,018
Total Liabilities and Stockholders' Equity	$ 4,058,127

The accompanying notes are an integral part of these financial statements.

PATRIOT GOLD CORP.
(An Exploration State Company)
STATEMENTS OF OPERATIONS
(Unaudited)

	For the Three Months Ended November 30, 2004	For the Three Months Ended November 30, 2003	For the Six Months Ended November 30, 2004	For the Six Months Ended November 30, 2003
Revenues	$ -	$ -	$ -	$
Cost of Revenues	-	-	-	
Gross Margin	-	-	-	
Expenses:				
Mining Costs	107,393	27,010	522,839	42,
General & Administrative	46,656	1,770,643	76,751	2,053,
Net Loss from Operations	(154,049)	(1,797,653)	(599,590)	(2,096,
Other Income (Expense)				
Interest, Net	2,419	-	2,419	
Net Loss	$ (151,630)	$ (1,797,653)	$ (597,171)	$ (2,096,
Basic & Diluted loss per Share	$ (0.01)	$ (0.07)	(0.02)	$ (0
Weighed Average Shares Outstanding	29,279,400	25,593,499	29,279,400	18,186,

The accompanying notes are an integral part of these financial statements.

PATRIOT GOLD CORP.
(An Exploration State Company)
STATEMENTS OF CASH FLOWS
(Unaudited)

	For the Six Months Ended November 30, 2004	2003
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Loss	$ (597,171)	$ (2,096,037)
Adjustments to Reconcile Net Loss to Net Cash Used in Operating Activities:		
Compensation Expense of Stock Options	-	1,984,413
Common Stock Issued for Services	-	13,500
Change in Operating Assets and Liabilities:		
(Increase) Decrease in Receivables	(602)	(675)
(Increase) Decrease in Prepaid Expenses	(79)	-
Increase (Decrease) in Accounts Payable	3,974	2,475
Increase (Decrease) in Accrued Expense	2,489	-
Net Cash Used in Operating Activities	(591,389)	(96,324)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Net Cash Used in Investing Activities	-	-
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from Sale of Common Stock	1,597,500	811,975
Proceeds from Contributed Capital	-	-

Net Cash Provided by Financing Activities	1,597,500	811,975
Net (Decrease) Increase in Cash and Cash Equivalents	1,006,111	715,651
Cash and Cash Equivalents at Beginning of Period	3,049,991	-
Cash and Cash Equivalents at End of Period	$ 4,056,102	$ 715,651

PATRIOT GOLD CORP.
(An Exploration State Company)
STATEMENTS OF CASH FLOWS
(Unaudited)
(Continued)

	For the Six Months Ended November 30, 2004	2003
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash paid during the year for:		
Interest	$ -	$ -
Income taxes	$ -	$ -

SUPPLEMENTAL DISCLOSURE OF NON-CASH INVESTING AND FINANCING ACTIVITIES:

During the six months ended November 30, 2003, the Company granted 3,735,000 stock options to various directors and consultants for an exercise price ranging from $0.05 to $1.50 per share. Consulting expense of $1,984,413 was recorded.

On June 11, 2003, the Company issued 13,500,000 shares of preferred stock to its president for services rendered. Consulting expense of $13,500 was recorded.

On July 25, 2003, the Company issued 350,000 Class A warrants, 350,000 Class B warrants, 350,000 Class C warrants, and 350,000 Class D warrants. Each warrant is exercisable, commencing October 25, 2003, for a period of three years at a price of $1.40, $1.45, $1.50 and $1.55, respectively, for one share of common stock.

On November 27, 2003, the Company issued 864,000 Class A warrants, 864,000 Class B warrants, 864,000 Class C warrants, and 864,000 Class D warrants. The Class A warrants are exercisable on November 27, 2004 for a period of five years at an exercise price of $1.40 per share of common stock; the Class B warrants are exercisable on November 27, 2005 for a period of four years at an exercise price of $1.45; the Class C warrants are exercisable on November 27, 2006 an at exercise price of $1.50; and the Class D warrants are exercisable on November 27, 2007 at an exercise price of $1.55. The Company has the right, in its sole discretion, to accelerate the exercise date of the warrants, to decrease the exercise price of the warrants and/or extend the expiration date of the warrants.

The accompanying notes are an integral part of these financial statements.

PATRIOT GOLD CORP.
(An Exploration State Company)
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of accounting policies for Patriot Gold Corp. (An Exploration State Company) is presented to assist in understanding the Company's financial statements. The accounting policies conform to generally accepted accounting principles and have been consistently applied in the preparation of the financial statements.

Interim Reporting

The unaudited financial statements as of November 30, 2004 and for the three and six month period then ended reflect, in the opinion of management, all adjustments (which include only normal recurring adjustments) necessary to fairly state the financial position and results of operations for the six months. Operating results for interim periods are not necessarily indicative of the results which can be expected for full years.

Nature of Operations and Going Concern

The accompanying financial statements have been prepared on the basis of accounting principles applicable to a "going concern", which assume that the Company will continue in operation for at least one year and will be able to realize its assets and discharge its liabilities in the normal course of operations.

Several conditions and events cast doubt about the Company's ability to continue as a "going concern". The Company has incurred net losses of approximately $22,240,000 for the period from June 1, 2000 (inception of exploration state) to November 30, 2004 and requires additional financing in order to finance its business activities on an ongoing basis. The Company is actively pursuing alternative financing and has had discussions with various third parties, although no firm commitments have been obtained. However, management believes that the money raised from the private placements in July and November 2003 along with money from the exercising of stock options and warrants, will be sufficient to continue planned operations for the remainder of the current fiscal year.

The Company's future capital requirements will depend on numerous factors including, but not limited to, acquiring interests in various mining opportunities and the success of its current mining operations.

These financial statements do not reflect adjustments that would be necessary if the Company were unable to continue as a "going concern". While management believes that the actions already taken or planned, will mitigate the adverse conditions and events which raise doubt about the validity of the "going concern" assumption used in preparing these financial statements, there can be no assurance that these actions will be successful.

PATRIOT GOLD CORP.
(An Exploration State Company)
NOTES TO FINANCIAL STATEMENTS
(Continued)

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Nature of Operations and Going Concern

If the Company were unable to continue as a "going concern", then substantial adjustments would be necessary to the carrying values of assets, the reported amounts of its liabilities, the reported expenses, and the balance sheet classifications used.

Organization and Basis of Presentation

The Company was incorporated under the laws of the State of Nevada on November 30, 1998. On June 11, 2003, the Company changed its name to Patriot Gold Corp.

Nature of Business

The Company has no products or services as of November 30, 2004. The Company operated from November 30, 1998 through approximately May 31, 2000 in the production of ostrich meat. On June 1, 2000, the Company ceased operations.

In June 2003, Management decided to change the direction of the Company and has decided to become a natural resource exploration company and will seek opportunities in this field. The Company is currently engaging in the acquisition, exploration, and if warranted and feasible, development of natural resource properties. Since June 1, 2000, the Company is in the exploration state.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Company considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents to the extent the funds are not being held for investment purposes.

Pervasiveness of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles required 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.

PATRIOT GOLD CORP.
(An Exploration State Company)
NOTES TO FINANCIAL STATEMENTS
(Continued)

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Foreign Currency

Prior to the quarter ending August 31, 2003, the Company's primary functional currency was the Canadian dollar. During, the quarter ended August 31, 2003, the Company underwent some significant changes in its operations. Prior to May 31, 2000, the company was in the business of producing ostrich meat in Canada. Subsequently on June 1, 2000, the Company ceased operations and remained dormant until June 2003, when the Company decided to enter the mining industry in the United States. Due to the change in direction the Company was headed, the majority of its operations and transactions would be located in the United States and the majority of the transaction would be in U.S. dollars. This was considered "a significant change in economic facts and circumstances" per SFAS 52, Appendix A and thus the Company changed its functional currency from the Canadian dollar to the U.S. dollar.

The Company's primary functional currency is the U.S. dollar. However, the Company still has a few transactions with Canadian suppliers. Transaction gains and losses are included in income. However, for the periods ended November 30, 2004 and 2003, no transaction gains or losses occurred.

Concentration of Credit Risk

The Company has no significant off-balance-sheet concentrations of credit risk such as foreign exchange contracts, options contracts or other foreign hedging arrangements. The Company maintains the majority of its cash balances with one financial institution, in the form of demand deposits.

Loss per Share

Net income (loss) per share is computed by dividing the net income by the weighted average number of shares outstanding during the period. The effect of the Company's common stock equivalents would be anti-dilutive for November 30, 2004 and 2003 and are thus not considered.

PATRIOT GOLD CORP.
(An Exploration State Company)
NOTES TO FINANCIAL STATEMENTS
(Continued)

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Comprehensive Income

The Company has adopted SFAS No. 130, "Reporting Comprehensive Income", which establishes standards for reporting and display of comprehensive income, its components and accumulated balances. The Company is disclosing this information on its Consolidated Statement of Operations. Comprehensive income is comprised of net income (loss) and all changes to capital deficit except those resulting from investments by owners and distribution to owners.

Stock Options

The Company has adopted SFAS No. 123, "Stock Option and Purchase Plans", which establishes standards for reporting compensation expense for stock options that have been issued. The fair value of each stock option granted is estimated using the Black-Scholes option-pricing model.

Exploration and Development Costs

On June 1, 2000, the Company ceased operations and until June 2003 conducted minimal administrative activities. The Company has been in the exploration state since that time and has not yet realized any revenue from its planned operations. It is primarily engaged in the acquisition, exploration and development of mining properties. Mineral exploration costs and payments related to the acquisition of the mineral rights are expensed as incurred. When it has been determined that a mineral property can be economically developed as a result of establishing proven and probable reserves, the costs incurred to acquire and develop such property will be capitalized. Such costs will be amortized using the units-of-production method over the estimated life of the probable reserve.

Advertising Costs

Advertising costs are expensed as incurred. There was no advertising expense for the periods ended November 30, 2004 and 2003.

PATRIOT GOLD CORP.
(An Exploration State Company)
NOTES TO FINANCIAL STATEMENTS
(Continued)

NOTE 2 - INCOME TAXES

As of May 31, 2004, the Company had a net operating loss carryforward for income tax reporting purposes of approximately $21,684,000 that may be offset against future taxable income through 2022. Current tax laws limit the amount of loss available to be offset against future taxable income when a substantial change in ownership occurs. Therefore, the amount available to offset future taxable income may be limited. No tax benefit has been reported in the financial statements, because the Company believes there is a 50% or greater chance the carryforwards will expire unused. Accordingly, the potential tax benefits of the loss carryforwards are offset by a valuation allowance of the same amount.

NOTE 3 - EXPLORATION STATE COMPANY/ GOING CONCERN

The Company has not begun principal operations and as is common with a company in the exploration state, the Company has had recurring losses. Continuation of the Company as a going concern is dependent upon obtaining the additional working capital necessary to be successful in its planned activity, and the management of the Company has developed a strategy, which it believes will accomplish this objective through additional equity funding and long term financing, which will enable the Company to operate for the coming year.

NOTE 4 - RELATED PARTY TRANSACTIONS

As of November 30, 2004, all activities of the Company have been conducted by corporate officers from either their homes or business offices. There are no commitments for future use of the facilities.

On June 12, 2003, the Company issued 13,500,000 Series A 7% Redeemable Preferred Shares to Mr. Bruce Johnstone, a former director and sole officer. On January 24, 2004, Mr. Johnstone converted these shares into the same number of common shares and transferred 3,000,000 shares to each of the three directors, Ronald C. Blomkamp, Robert D. Coale and Robert A. Sibthorpe. Compensation expense of $16,254,000 was record in connection with the transfer.

PATRIOT GOLD CORP.
(An Exploration State Company)
NOTES TO FINANCIAL STATEMENTS
(Continued)

NOTE 5 - STOCK OPTIONS / WARRANTS

Pursuant to a 2003 Stock Option Plan, grants of shares can be made to employees, officers, directors, consultants and independent contractors of non-qualified stock options as well as for the grant of stock options to employees that qualify as incentive stock options under Section 422 of the Internal Revenue Code of 1986 ("Code") or as non-qualified stock options. The Plan is administered by the Option Committee of the Board of Directors (the

"Committee"), which has, subject to specified limitations, the full authority to grant options and establish the terms and conditions for vesting and exercise thereof. Currently the entire Board functions as the Committee.

In order to exercise an option granted under the Plan, the optionee must pay the full exercise price of the shares being purchased. Payment may be made either: (i) in cash; or (ii) at the discretion of the Committee, by delivering shares of common stock already owned by the optionee that have a fair market value equal to the applicable exercise price; or (iii) with the approval of the Committee, with monies borrowed from us.

Subject to the foregoing, the Committee has broad discretion to describe the terms and conditions applicable to options granted under the Plan. The Committee may at any time discontinue granting options under the Plan or otherwise suspend, amend or terminate the Plan and may, with the consent of an optionee, make such modification of the terms and conditions of such optionee's option as the Committee shall deem advisable.

On May 26, 2003, the Board of Directors approved a stock option plan whereby 2,546,000 common shares have been set aside for employees and consultants to be distributed at the discretion of the Board of Directors. On September 22, 2003, the Board of Directors amended the stock option plan to allow 3,000,000 additional options. As of May 31, 2004, 5,290,000 stock options were granted to various directors and consultants for an exercise price ranging from $.05 to $1.50 per share.

In most cases the fair value of the stock issued was higher then the exercise price. Compensation expense of $4,892,401 has been recorded in connection with the granting of the stock options as of May 31, 2004. The Black-Scholes option pricing model was used to calculate to estimate the fair value of the options granted. The following assumptions were made:

Risk Free Rate (Equal to Libor)	1.028%
Expected Life of Option	10 years
Expected Volatility of Stock (Based on Historical Volatility)	96.00%
Expected Dividend yield of Stock	0.00

PATRIOT GOLD CORP.
(An Exploration State Company)
NOTES TO FINANCIAL STATEMENTS
(Continued)

NOTE 5 - STOCK OPTIONS / WARRANTS (Continued)

On July 25, 2003, the Company issued 350,000 Class A warrants, 350,000 Class B warrants, 350,000 Class C warrants, and 350,000 Class D warrants. Each warrant is exercisable, commencing October 25, 2003, for a period of three years at a price of $1.40, $1.45, $1.50 and $1.55, respectively, for one share of common stock. The warrants were determined to have no value at the time of their issuance. The shares and warrants were issued to David Langley, Almir Ramic and Paul Uppal.

On November 27, 2003, the Company issued 864,000 Class A warrants, 864,000 Class B warrants, 864,000 Class C warrants, and 864,000 Class D warrants. The Class A warrants are exercisable on November 27, 2004 for a period of five years at an exercise price of $1.40 per share of common stock; the Class B warrants are exercisable on November 27, 2005 for a period of four years at an exercise price of $1.45; the Class C warrants are exercisable on November 27, 2006 an at exercise price of $1.50; and the Class D warrants are exercisable on November 27, 2007 at an exercise price of $1.55. The Company has the right, in its sole discretion, to accelerate the exercise date of the warrants, to decrease the exercise price of the warrants and/or extend the expiration date of the warrants. The warrants were determined to have no value at the time of their issuance. The shares and warrants were issued to Jill Kurucz, Almir Ramic and Colin Worth.

The following table sets forth the options and warrants outstanding as of November 30, 2004.

	Option / Warrants Shares	We A Ex
Options & warrants outstanding, May 31, 2004	5,496,000	$
Granted, Exercise price more than fair value	-	
Granted, Exercise price less than fair value	-	
Expired	-	
Exercised	-	
Options & warrants outstanding, November 30, 2004	5,496,000	$

PATRIOT GOLD CORP.
(An Exploration State Company)
NOTES TO FINANCIAL STATEMENTS
(Continued)

NOTE 5 - STOCK OPTIONS / WARRANTS (Continued)

The following table sets forth the options and warrants outstanding as of November 30, 2003.

Option /

	Warrants Shares	
Options & warrants outstanding, May 31, 2003	-	$
Granted, Exercise price more than fair value	3,895,000	
Granted, Exercise price less than fair value	4,696,000	
Expired	-	
Exercised	(3,075,000)	
Options & warrants outstanding, November 30, 2003	5,516,000	$

Exercise prices for optioned shares and warrants outstanding as of November 30, 2004 ranged from $0.05 to $1.55. A summary of these options by range of exercise prices is shown as follows:

Exercise Price	Shares / Warrants Outstanding	Weighted-Average Exercise Price	Shares/ Warrants Currently Exercisable	Weig Ave Exercis Curr Exerc
$ 0.05	550,000	$ 0.05	550,000	$
0.80	10,000	0.80	10000	
1.03	80,000	1.03	80,000	
1.40 to 1.45	2,428,000	1.43	700,000	
1.50 to 1.55	2,428,000	1.52	700,000	

NOTE 6 - COMMON STOCK TRANSACTIONS

The Company was incorporated to allow for the issuance of up to 100,000,000 shares of $.001 par value common stock (as amended).

At inception, the Company issued 7,600,000 shares of common stock to its officers and directors for services performed and payments made on the Company's behalf during its formation. This transaction was valued at approximately $.001 per share or an aggregate approximate $1,000.

PATRIOT GOLD CORP.
(An Exploration State Company)
NOTES TO FINANCIAL STATEMENTS
(Continued)

NOTE 6 - COMMON STOCK TRANSACTIONS (Continued)

On February 8, 1999, to provide initial working capital, the Company authorized a private placement sale of an aggregate of 7,600,000 (1,000,000 pre-split) shares of common stock at approximately $.05 per share. The private placement was completed April 1, 1999 and 7,630,400 shares were issued for approximately $50,200 in proceeds to the Company which were primarily used to pay operating expenses.

On June 12, 2003, the previous President of the Company, returned 5,320,000 (700,000 pre split) shares of common stock to the Company.

On July 25, 2003, the Company issued 350,000 shares of common stock and 1,400,000 warrants for $367,500 in cash to Almir Ramic, Paul Uppal and David Langley. Shares and warrants were issued for $1.05 per share. The warrants were determined to have no fair value at the time of their issuance and thus none of the proceeds were allocated to the warrants.

On September 2, 2003, the Company's previous president converted his 13,500,000 shares of preferred stock into 13,500,000 shares of common stock. On January 24, 2004, Mr. Johnstone transferred 3,000,000 common shares to each of the three directors. Compensation expense of $16,254,000 was record in connection with the transfer.

During September, October and November 2003, 3,075,000 common shares were issued to various directors and consultants in connection with the exercising of stock options for $1,710,225 in cash. The exercise price ranged from $0.05 to $1.50.

On November 27, 2003, the Company issued 864,000 shares of common stock and 3,456,000 warrants for $1,080,000 in cash to Almir Ramic, Colin Worth and Jill Kurucz. Shares and warrants were issued for $1.25 per share. The warrants were determined to have no fair value at the time of their issuance and thus none of the proceeds were allocated to the warrants.

During the quarter ending February 29, 2004, 245,000 common shares were issued in connection with the exercising of stock options for cash of $189,600. The exercise price ranged from $0.75 to $1.03.

During March and April 2004, 1,335,000 common shares were issued in connection with the exercising of stock options for cash of $1,837,500. The exercise price ranged from $0.75 to $1.50.

PATRIOT GOLD CORP.
(An Exploration State Company)
NOTES TO FINANCIAL STATEMENTS
(Continued)

NOTE 7 - PREFERRED STOCK

The Company has authorized a total of 20,000,000 shares of Preferred Stock with a par value of $.001. As of November 30, 2003, there are no preferred shares outstanding.

The Corporation is under no obligation to pay dividends on the Series A Redeemable Preferred Stock, and the stock is redeemable at the option of the Company.

In the event of any liquidation, dissolution or winding-up of the Corporation, the holders of outstanding shares of Series A Preferred shall be entitled to be paid out of the assets of the Corporation available for distribution to shareholders, before any payment shall be made to or set aside for holders of the Common Stock, at an amount of $.001 plus any unpaid and accrued dividends per share.

A holder of Series A Preferred has the right to one vote per share in the case of matters provided for in the General Corporation Law of the State of Nevada or the Amended and Restated Articles of Incorporation or Bylaws to be voted on by the holders of the Series A Preferred Stock as a separate class. In the case of matters to be voted on by the holders of Common Stock and the holders of Series A Preferred voting together as a single class, each share of Series A Preferred, has full voting rights and powers equal to the voting rights and powers of the holders of the Common Stock.

On June 11, 2003, the Company issued 13,500,000 Series A shares of preferred stock to its president for services rendered and recorded $13,500 in consulting expenses. The Series A shares have non-cumulative dividends of 7% of the redemption price when declared by the Board. On September 2, 2003, the Company's previous president converted his 13,500,000 shares of preferred stock into 13,500,000 shares of common stock.

NOTE 8 - STOCK SPLIT

On June 17, 2003, the Company approved a forward split at a rate of one for seven and six- tenths so that each share of common stock will be equal to 7.6 shares. All references to shares in the accompanying financial statements have been adjusted for the stock split.

NOTE 9 - MINERAL PROPERTIES

The Company has an agreement with Minquest, Inc. which gives them the right to purchase 100% of the mining interests of two Nevada mineral exploration properties currently controlled by MinQuest, a natural resource exploration company. Together, these two properties consist of 28 mining claims on a total of 560 acres in the northwest trending Walker Lane located in western Nevada.

PATRIOT GOLD CORP.
(An Exploration State Company)
NOTES TO FINANCIAL STATEMENTS
(Continued)

NOTE 9 - MINERAL PROPERTIES (Continued)

In order to earn a 100% interest in these two properties, the Company must pay MinQuest, Inc. and incur expenditures relating to mining operations in accordance with the following schedule: (i) on or before July 25, 2004, $20,000 to MinQuest and $75,000 in expenditures; (ii) on or before July 25, 2005, $20,000 to MinQuest and an additional $100,000 in expenditures; (iii) on or before July 25, 2006, $20,000 to MinQuest and an additional $100,000 in expenditures; (iv) on or before July 25, 2007, $20,000 to MinQuest and an additional $100,000 in expenditures; and (v) on or before July 25, 2008, an additional $125,000 in expenditures. If the Company has not incurred the requisite expenditures to maintain the option in good standing, the Company has a 60-day period subsequent to July 25th to make such payment along with such amount which shall be deemed to have been an expenditure incurred by us during such period. Since the payment obligations are non-refundable, if the Company does not make any payments, it will lose any payments made and all our rights to the properties. If all said payments are made, then the Company will acquire all mining interests in the property, subject to MinQuest retaining a 3% royalty of the aggregate proceeds. The Company has the right at anytime to discontinue making the payments if the exploration is determined to be unfeasible.

On February 19, 2004, the Company executed a formal agreement to purchase 100% mining interest in the Moss Mine property located in the historic Oatman gold mining district for $350,000. On February 27, 2004, $25,000 was paid in connection with this agreement and three months after signing, on June 14, 2004, an additional $25,000 was paid. On or before the 6-month anniversary from when we signed the definitive agreement, the balance of $300,000 was due to the sellers. On August 27, 2004, the Company paid the final $300,000 to the sellers.

As of November 30, 2004, $395,000 has been paid in connection with the acquisition of these rights and $478,387 has been paid for expenditures in exploration of these properties. As these properties are unproven, all $873,387 has been expensed.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATION.

Certain statements contained in this report, including statements regarding the anticipated development and expansion of our business, our intent, belief or current expectations, primarily with respect to the future operating performance of the Company and the feasibility of the property in which we have an interest and other statements contained herein regarding matters that are not historical facts, are "forward-looking" statements. Future filings with the Securities and Exchange Commission, future press releases and future oral or written statements made by us or with our approval, which are not statements of historical fact, may contain forward-looking statements. Because such statements include risks and uncertainties, actual results may differ materially from those expressed or implied by such forward-looking statements. For a more detailed listing of some of the risks and uncertainties we face, please see the 2004 Form 10-KSB filed by us with the Securities and Exchange Commission.

All forward-looking statements speak only as of the date on which they are made. We undertake no obligation to update such statements to reflect events that occur or circumstances that exist after the date on which they are made.

OVERVIEW

We are a natural resource exploration company with an objective of acquiring, exploring, and if warranted and feasible, developing natural resource properties. Our primary focus in the natural resource sector is gold. We do not consider ourselves a "blank check" company required to comply with Rule 419 of the Securities and Exchange Commission, because we were not organized for the purpose of effecting, and our business plan is not to effect, a merger with or acquisition of an unidentified company or companies, or other entity or person. We do not intend to merge with or acquire another company in the next 12 months.

Though we have the expertise on our board of directors to take a resource property that hosts a viable ore deposit into mining production, the costs and time frame for doing so are considerable, and the subsequent return on investment for our shareholders would be very long term indeed. We therefore anticipate selling any ore bodies that we may discover to a major mining company. Most major mining companies obtain their ore reserves through the purchase of ore bodies found by junior exploration companies. Although these major mining companies do some exploration work themselves, many of them rely on the junior resource exploration companies to provide them with future deposits for them to mine. By selling a deposit found by us to these major mining companies, it would provide an immediate return to our shareholders without the long time frame and cost of putting a mine into operation ourselves, and it would also provide future capital for the company to continue operations.

The search for valuable natural resources as a business is extremely risky. We can provide investors with no assurance that the property we have optioned in Nevada contains commercially exploitable reserves. Exploration for natural reserves is a speculative venture involving substantial risk. Few properties that are explored are ultimately developed into producing commercially feasible reserves. Problems such as unusual or unexpected formations and other conditions are involved in mineral exploration and often result in unsuccessful exploration efforts. In such a case, we would be unable to complete our business plan and any money spent on exploration would be lost.

Natural resource exploration and development requires significant capital and our assets and resources are limited. Therefore, we anticipate participating in the natural resource industry through the purchase of small interests in producing properties, the purchase of property where feasibility studies already exist or by the optioning of natural resource exploration and development projects. To date we have acquired several properties and we have several properties under option. We have already conducted various kinds of exploration on these properties, including mapping, sampling, surveying and drilling, we expect to conduct further exploration of these properties. There has been no indication as yet that any mineral deposits exist on these properties, and there is no assurance that a commercially viable mineral deposit exists on any of our properties. Further exploration will be required before a final evaluation as to the economic and legal feasibility is determined.

In the following discussion, there are references to "patented" mining claims and "unpatented" mining claims. A patented mining claim is one for which the U.S. government has passed its title to the claimant, giving that person title to the land as well as the minerals and other resources above and below the surface. The patented claim is then treated like any other private land and is subject to local property taxes. An unpatented mining claim on U.S. government lands establishes a claim to the locatable minerals (also referred to as stakeable minerals) on the land and the right of possession solely for mining purposes. No title to the land passes to the claimant. If a proven economic mineral deposit is developed, provisions of federal mining laws permit owners of unpatented mining claims to patent (to obtain title to) the claim. If you purchase an unpatented mining claim that is later declared invalid by the U.S. government, you could be evicted.

MinQuest Property Option Agreement

Pursuant to a Property Option Agreement with MinQuest, we have the option to earn a 100% interest in the two Nevada mineral exploration properties that we are currently exploring. An overview of our activities and obligations with respect to these properties are set forth below.

BRUNER PROJECT

The property is located approximately 130 miles east-southeast of Reno, Nevada at the northern end of the Paradise Range. Access from Fallon, the closest town of any size, is by 50 miles of paved highway and 16 miles of gravel roads.

We hold the property via 16 unpatented mining claims (320 acres). We have an option on the property with MinQuest, Inc., a Nevada Corporation, which terminates if, prior to July 25, 2008, we fail to make any payments when due to MinQuest, Inc. or complete property expenditures as required by the option. The option will have been fully exercised, and we can earn a 100 percent interest in these claims if we make payments to MinQuest of $70,000 and spend $275,000 in exploration over a five year period ending on July 25, 2008. On July 25, 2003, we paid MinQuest $10,000 with respect to the Bruner property, and we owe an additional $60,000 which is due in four equal annual installments commencing on July 25, 2004. With the approval of MinQuest, we paid the first installment late on August 27, 2004. By July 25, 2004, we were to have spent $50,000 on exploration, and by that date we had spent $64,000 on exploration of the Bruner property. The $14,000 in excess of our required expenditures will be applied to our exploration commitment due by July 25, 2005. We are obligated to spend another $225,000 over the next four years as follows: $50,000 by each of July 25, 2005, 2006 and 2007 and $75,000 by July 25, 2008. As noted below, we expect to spend an estimated $130,000 in the fall of 2004 on a five or six hole drilling program. MinQuest retains a three percent NSR production royalty.

Our exploration program to date at Bruner has included:

- o geologic mapping (producing a plan map of the rock types, structure and alteration),
- o rock chip geochemical sampling (sample of soil, rock, silt, water or vegetation analyzed to detect the presence of valuable metals or other metals which may accompany them (e.g., Arsenic may indicate the presence of gold),
- o a ground magnetic survey, and
- o a Controlled Source Magneto Telluric survey (recording variations in a generated electrical field using sophisticated survey methods).

In October 2004, we received the approval of a Notice of Intent for Exploration Drilling, and an environmental bond filed with the Nevada office of the Bureau of Land Management. A total of 18 drill sites have been located to target both extensions of the gold intercepts in previous drilling and geophysical anomalies found by a CSMT survey. A CSMT survey is an electromagnetic method used to map the variation of the Earth's resistance to conduct electricity by measuring naturally occurring electric and magnetic fields at the Earth's surface. With the proper approvals in place, we began drilling on the Bruner property on December 20, 2004. This drilling program is expected to continue through January 2005. We expect to drill a total of 6 to 9 holes with depths ranging form 300 to 1,150 feet. This drilling program will test possible extensions of gold mineralization intersected in historic drilling as well as the large CSMT geophysical anomaly located under gravel cover. We expect results from the drilling program to be available by February 2005.

The drilling program that we began on December 20, 2004, as described in the preceding paragraph, is estimated to cost $130.000. If this drilling program produces favorable results, and a second phase is warranted, then we would follow up with additional reverse circulation drilling as well as some core drilling which would help to further delineate the underground geological structure. The total cost of a phase 2 work program would be around $70,000.

VERNAL PROJECT

The property is located approximately 140 miles east-southeast of Reno, Nevada on the west side of the Shoshone Mountains. Access from Fallon, the closest town of any size, is by 50 miles of paved highway and 30 miles of gravel roads.

We hold the property via 12 unpatented mining claims (240 acres). We have an option on the property with MinQuest, Inc., a Nevada Corporation, which terminates if, prior to July 25, 2008, we fail to make any payments when due to MinQuest, Inc. or complete property expenditures as required by the option. The option will have been fully exercised, and we can earn a 100 percent interest in these claims, if we make payments to MinQuest of $22,500 and spend $250,000 in exploration over a five year period ending July 25, 2008. On July 25, 2003, we paid MinQuest $2,500 with respect to the Vernal property, and we owe an additional $20,000 which is due in four equal annual installments commencing on July 25, 2004. With MinQuest's approval, we paid the first installment of $5,000 late on August 27, 2004. By July 25, 2004 we were required to spend $20,000 on exploration, and we had already spent $21,500 on exploration of the Vernal property. The $1,500 excess of our required expenditure will be applied towards our exploration commitment due by July 25, 2005. We are obligated to spend another $205,000 over the next four years as follows: $50,000 by each of July 25, 2005, 2006, 2007 and $55,000 by July 25, 2008. As noted below, we expect to secure the proper permits for trenching from the U.S. Forest Service by the end of Spring 2005 and then spend an estimated $30,000 in the summer 2005 on trenching and additional geochemical sampling. MinQuest retains a three percent NSR production royalty.

Our exploration of the Vernal property to date has consisted of geologic mapping and rock chip geochemical sampling. Trenching and additional geochemical sampling is now planned for the summer of 2005 after we secure trenching permits from the U.S. Forest Service, which we expect will be completed by the end of Spring 2005. We currently have no plans for any drilling of the Vernal property. Trenching is a cost effective way of examining the structure and nature of mineral ores just beneath the surface. It involves digging long usually shallow trenches in carefully selected areas to expose unweathered rock and allow sampling. The cost of trenching and sampling at Vernal will be approximately $40,000. We currently have no plans for any drilling of the Vernal property, but if a significant thickness of anomalous gold is found in the trenches, the area would be drilled. This would involve five or six holes approximately 300 feet deep. The cost of this drilling program would be around $75,000.

In July 2003, members of our Board of Directors and geology team made an onsite inspection of both properties optioned by the company from MinQuest. From this visit, an exploration plan was determined and a schedule to begin work on the properties was organized to commence in the month of September 2003. On September 19, 2003 the company announced that an exploration program consisting of geologic mapping and surface geochemical sampling was underway on the Bruner property and that a Global Positioning System geophysical survey (electrical, magnetic and other means used to detect features, which may be associated with mineral deposits) conducted on the ground was scheduled for later that month. Such a survey measures the magnetic variations within the underlying rocks. Since then, a ground magnetics survey and detailed mapping and rock sampling of the western portion of the claim block on the Bruner property has been completed. The rock sampling is a collection of a series of small chips over a measured distance, which is then submitted for a chemical analysis, usually to determine the metallic content over the sampled interval. The magnetics indicate the presence of northwesterly and northerly trending faults under the pediment cover that may host gold mineralization. A fault, which is a break in the rock along which the movement has taken place, are often the sites for the deposition of metallic rich fluids. A pediment cover is a broad, gently sloping surface at the base of a steeper slope. Geologic mapping of rocks exposed in the western portion of the Patriot held claims show several small quartz bearing structures trending northwest and dipping steeply to the northeast. These small structures are thought to be related to a much larger vein, often filled with quartz, contained within a fault or break in the rock (a fault-hosted vein system) under gravel cover in the broad valley south of the mapping. Approximately 1 square mile of ground magnetics was completed at Bruner. The survey was done on 50 meter spaced lines, run north-south using a GPS controlled Geometrics magnetometer, which is the geophysical instrument used in collecting magnetic data with an attached GPS that allows the operator to more precisely determine the location of each station where the magnetic signature is taken. . The interpretation shows numerous northwest and north-south trending magnetic lows associated with faults. Magnetic lows are an occurrence that may be indicative of a destruction of magnetic minerals by later hydrothermal (hot water) fluids that have come up along these faults. These hydrothermal fluids may in turn have carried and deposited precious metals such as gold and/or silver. To the southeast, under gravel cover (where there is no exposure of rock at the surface), is a much more continuous northwest trending feature that has not been drill tested, and data is sufficiently encouraging that an expanded CSMT survey is recommended to trace these structures in the third dimension. Three or four north-south lines of CSMT are scheduled and further work is ongoing.

MINQUEST PROPERTY AT MOSS MINE: The project area is 10 miles east of Bullhead City, Arizona and approximately 70 miles southeast of Las Vegas, Nevada. Access is via gravel roads from Bullhead City.

We hold the property in the Moss Mine region via 65 unpatented mining claims and 7 patented claims (1300 total acres). The unpatented claims are held under a lease/purchase agreement with MinQuest, Inc., a Nevada Corporation. On March 4, 2004, we signed the agreement that earned us a 100 percent interest in these claims by paying MinQuest a one time lease fee of $50,000. The fee of $50,000 was paid on July 7, 2004. A three percent NSR production royalty is retained by MinQuest. The patented claims are held collectively by numerous owners within the extended Williams family, and we have the right to purchase these patented claims from these owners under the terms of a letter of intent which is discussed in the subsequent section titled "Letter of Intent for the Williams Property at the Moss Mine Property".

The Moss Mine was the first gold discovery made in the Oatman district. Discovered in 1864, the mine was worked discontinuously through the 1930's. Production records are very poor, with past writers listing production equal to or greater than $250,000. The mine lay idle until the early 1980's when a number of mining companies explored the district. These companies included Billiton Minerals, Magma Copper, Golconda Resources and Addwest Minerals.

Our exploration of the MinQuest property has consisted of geologic mapping, vein geochemical sampling and drill testing of the identified veins. Drilling is in progress. Total project exploration cost is estimated to be $500,000.

Phase 1 drilling has been completed at the MinQuest property. A total of 36 holes were drilled totaling 2,471 meters (8,107 feet). Thirty holes were drilled on the Moss property, and six holes were drilled on one of the adjacent parcels of land. Geochemical results of gold and silver assaying are currently being collected, plotted and cross-sections constructed. Final results from the Phase 1 drilling were sufficiently encouraging that we are now in the planning stages of acquiring key targeted claims by mid-2005, and then conducting phase 2 drilling program on those claims, by the fall of 2005. We are also in the process of preparing a budget, schedule and outline of such a drilling program..

The project area is underlain by Tertiary quartz monzonite (a coarsely crystalline rock composed primarily of the minerals quartz, plagioclase and orthoclase) intruding tertiary volcanics. Precambrian basement rocks underlie the volcanics. The veins consist of quartz-calcite and lesser adularia. The principal vein is up to 45 feet thick and can be followed on surface for over 5,000 feet. The hanging wall of the veins commonly have several tens of feet of stockwork veining. Gold values are somewhat erratic, but appear to be highest in the thicker and deeper parts of the vein explored to date.

With the expertise provided by our Board of Directors and consulting geology professionals, all of whom have been compensated by way of the company stock option plan, we now have the expertise required to decide if we should invest in a particular project. This decision will be based on information that will be provided by the vendor or the project and by information collected by our experts through independent due diligence, and include at least the following:

* A description of the project and the location of the property;
* The lands that will be subject to the exploration project;
* The royalties, net profit interest or other charges applicable to the subject lands;
* The estimated cost of any geophysical work contemplated; and
* The estimated acquisition costs, exploration costs and development costs of the property.

Letter of Intent for Williams Property at the Moss Mine

In November 2003 we executed a letter of intent to purchase a 100% interest in the Moss Mine property owned by an extended family and which is located in the historic Oatman gold mining district. This property is unrelated to and separate from the MinQuest property also located in the Moss Mine region. Work already completed on this property includes a pre-feasibility study as well as 36,000 feet of primarily reverse circulation drilling which was done over twenty years ago. Reverse circulation drilling is a less expensive form of drilling that does not allow for the recovery of a tube or core of rock, in which the material is brought up from depth as a series of small chips of rock that are then bagged and sent in for analysis. Though this is a quicker and cheaper method of drilling, reverse circulation drilling does not necessarily give as much information about the underlying rocks.

The property is comprised of six patented claims, which as a group, we call the Williams property. These claims are held collectively by as many as 23 owners within an extended family who are represented by Barbara Williams, a realtor, and a member of this extended family, who put together the letter of intent and arranged for the signing of the agreement by the numerous owners. None of these owners, including Barbara Williams, has or has had any relationship or affiliation with us prior to the agreement for the Williams property.

The letter of intent grants us an exclusive right to close on the purchase of the Williams property for six months from the date the contract is executed.

On February 19, 2004, we executed a formal agreement to purchase the Williams property for $350,000. On February 27, 2004 we deposited $25,000 with the title company, which was acting as escrow agent, and three months after signing, on June 14, 2004, we deposited an additional $25,000. When the title company, acting as escrow agent, received the signature pages from the various sellers, the initial $25,000 deposit was to be delivered to the sellers. On the three-month anniversary from when we signed the definitive agreement, the second $25,000 was to be delivered to the sellers. By mid July, 2004, the escrow agent had received 19 of the 23 signatures, which under Arizona law was enough to complete the transaction, and on July 24, 2004, the first and second deposits of $25,000 each were released to the sellers. On or before the 6-month anniversary from when we signed the definitive agreement, the balance of $300,000 was due to the sellers. As a result of our due diligence, we decided to complete the purchase of the Williams property. On August 27, 2004 we paid the final $300,000 to the escrow agent for the closing of the sale. The escrow agent will release the $300,000 to the sellers at the closing of the sale. Upon the closing of the sale, we will own 100% interest in the Williams property.

Seller has delivered to us all information in their possession regarding the property. During the six month period after the signing of the definitive agreement we had the right to conduct our due diligence on the property and if we decided not to proceed we had to give the sellers and escrow agent notice no less than 10 days prior to the six-month anniversary of our intention not to close. During this period we could not perform mining or remove any ore from the property. We were responsible for all costs and expenses associates with the purchase of the property, including escrow fees, cost of feasibility study, charges resulting from any tests, environmental assessments reports or surveys, and any exploration activity costs. Once we had concluded our analysis and had determined that it is feasible to close on the purchase of the property, doing so would give us full rights to begin mining operations.

Due Diligence Performed on the Williams Property

In October 2003, our director Robert Sibthorpe (who is a geologist by training) evaluated a proposal for the purchase of the Moss mine in Arizona. His recommendation was to visit the site, and if the visual inspection supported the information presented in the proposal, then an offer to purchase should be drawn up. At the recommendation of Mr. Sibthorpe, on January, 2004, Mr. Robert Coale (P.Eng.), another one of our directors visited the site to see the overall geological setting and occurrence of mineralization and evaluate the drilling program proposed by MinQuest, the company that we would contract to co-ordinate any work programs undertaken. At this time, the recent metallurgical data and reports that had been collected from the sellers were reviewed for study. Mr. Coale's analysis revealed that reagent (liquid chemicals used for leaching) consumptions are acceptable and deleterious compounds (things present in the ore that would be difficult to work with) are not apparent. He recommended bulk sampling at a selected location in the future once the definition of the ore body is further advanced through drilling. On January 31, 2004 Robert Sibthorpe wrote a report with a summery of the property, and reviewing the Draft Budget supplied by Richard Kern, our work program contractor, that was laid out for the drilling program planned for the property. The drilling was conducted throughout the spring and early summer of 2004, and in June, 2004, Mr. Sibthorpe wrote a report incorporating the results of the drilling program which encouraged us to pursue the project. Also in June 2004, Mr. Kern sent a Memo to the Company regarding the potential at the Williams property. Mr. Kern's recommendation was that we should proceed with the purchase of the Williams property.

Based on the information gathered in this due diligence process, and on the recommendation of our board members and consultants, the decision to proceed with the purchase of the Williams property was made. On August 27, 2004, the final payment of $300,000 was paid to the escrow agent for the closing of the sale. On November 11, 2004, the escrow agent released the $300,000 to the sellers for the closing of the sale, and, as a result, we now own 100% interest in the Williams property.

RESULTS OF OPERATIONS

For the quarter ended November 30, 2004 compared to the same period in 2003 are not necessarily indicative of the results that may be expected for the year ended May 31, 2005.

The Company had no sales and sales revenues from continuing operations for the three months ended November 30, 2004 and no sales for the three months ended November 30, 2003 from continuing operations.

The Company had no selling and marketing expenses from continuing operations for the three months ended November 30, 2004 and the three months ended November 30, 2003. Mining Costs were $107,393 and $522,839 for the three and six months ended November 30, 2004 and $27,010 and $42,757 for the three and six months ended November 30, 2003. These expenses include money paid for acquiring mineral rights and exploration costs related to these rights. General and administrative expenses were $46,656 and $76,751 for the three and six months ended November 30, 2004 and $1,770,643 and $2,053,280 for the three and

six months ended November 30, 2003. The decrease in general and administrative expenses from 2003 to 2004 is largely attributable to consulting fees as a result of the issuance of stock options to various consultants that were issued at a discounted price. The Company felt this was necessary in order to attract the best consultants in the field of geology, ground operations, corporate development and financial management to work for the Company, without having to compensate them by way of cash paid directly from the funds that have been raised for project operations. Compensation expense was determined using the Black-Scholes method. We expect such expenses to continue in the future.

The Company recorded a net loss of $151,630 and $597,171for the three and six months ended November 30, 2004 compared to a net loss of $1,797,653 and $2,096,037 for the same periods in 2003. The decrease in net loss from 2003 to 2004 is largely attributable to the Company not issuing stock options to consultants for a discounted exercise price.

LIQUIDITY AND CAPITAL RESOURCES

Our balance sheet as of November 30, 2004 reflects assets of $4,058,127 consisting of $4,056,102 in cash and $2,025 in other current assets. Total liabilities on the balance sheet as of November 30, 2004 reflect current liabilities of $29,109, consisting of accounts payable of $26,620 and accrued expenses of $2,489.

Cash and cash equivalents from inception to date have been insufficient to provide the operating capital necessary to operate. The Company has raised funds the exercising of stock options and the sale of common stock and warrants. For the six months ended November 30, 2004, the Company received $1,597,500 from the exercise of stock options.

GOING CONCERN CONSIDERATION

As indicated in the accompanying balance sheet, as of November 30, 2004 we had $4,056,102 in cash available and current liabilities of $29,109. The cash was as a result of the private placement in which the Company received $1,447,500 and from the exercise of stock options from which the Company received $3,658,325. Management believes that the gross proceeds from the private placements and from the exercise of stock options will be sufficient to continue our planned activities until May 31, 2005, the end of our current fiscal year. However, we anticipate generating losses and therefore we may be unable to continue operations in the future as a going concern. In addition, if we want to maintain our interest in the MinQuest property, on or before July 25, 2005 we are required to incur no less than $100,000 in expenditures in connection with mining operations as well as paying MinQuest $20,000. Our plans to deal with this uncertainty include raising additional capital or entering into a strategic arrangement with a third party. There can be no assurance that our plans can be realized. No adjustment has been made in the accompanying financial statements to the amounts and classification of assets and liabilities that could result should be unable to continue as a going concern.

We currently have no agreements, arrangements or understandings with any person to obtain funds through bank loans, lines of credit or any other sources.

Accordingly, we have added a note to the accompanying financial statements regarding concerns about our ability to continue as a going concern. Our financial statements contain additional note disclosures describing the circumstances that lead to this note being included in our financial statements.

OFF-BALANCE SHEET ARRANGEMENTS

We have no off-balance sheet arrangements.

ITEM 3. CONTROLS AND PROCEDURES.

The Company's president acts both as the Company's chief executive officer and chief financial officer and is responsible for establishing and maintaining disclosure controls and procedures for the Company.

(a) Evaluation of Disclosure Controls and Procedures
As of the end of the period covered by this report, the Company carried out an evaluation, under the supervision and with the participation of the Company's management, including the Company's President, of the effectiveness of the design and operation of the Company's disclosure controls and procedures pursuant to Rule 13a-15 under the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Based upon the evaluation, the Company's President concluded that, as of the end of the period, the Company's disclosure controls and procedures were effective in timely alerting him to material information relating to the Company required to be included in the reports that the Company files and submits pursuant to the Exchange Act.

(b) Changes in Internal Controls
Based on his evaluation as of November 30, 2004, there were no significant changes in the Company's internal controls over financial reporting or in any other areas that could significantly affect the Company's internal controls subsequent to the date of his most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

PART II -OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS.

We are not involved in any pending legal proceedings nor are we aware of any pending or contemplated proceedings against us. We know of no legal proceedings pending or threatened, or judgments entered against any of our directors or officers in their capacity as such.

ITEM 2. CHANGES IN SECURITIES. None.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES. None.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS. None.

ITEM 5. OTHER INFORMATION. None.

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K.

(a) Exhibits.

Exhibit 31 - Certification of Principal Executive and Financial Officer pursuant to Rule 13a-14 of the Securities and Exchange Act of 1934 as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.

Exhibit 32 - Certification of Principal Executive and Financial Officer Pursuant to 18 U.S.C Section 1350 as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

(b) Reports on Form 8-K. None.

SIGNATURES

Pursuant to the requirements of Section 13 of 15(d) of the Securities Exchange act of 1934, as amended, the Registrant has duly caused this report to be signed on behalf by the undersigned, thereunto duly authorized.

PATRIOT GOLD CORP.

Date: January 7, 2005

By /s/ Ronald C. Blomkamp

Ronald C. Blomkamp
President, Chief Executive
Officer, Chief Financial Officer,
Secretary and Treasurer