

JOSHUA GOLD RESOURCES INC
Form 10-Q/A
September 26, 2012

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 10-Q/A

(Amendment No. 1)

(Mark One)

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

For the quarterly period ended June 30, 2012

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

For the transition period from to

Commission File Number: 000-53809

JOSHUA GOLD RESOURCES INC.

(Exact name of registrant as specified in its charter)

Edgar Filing: JOSHUA GOLD RESOURCES INC - Form 10-Q/A

Nevada
(State or other jurisdiction of
incorporation or organization)
27-0531073
(I.R.S. Employer
Identification No.)
99 Bronte Road, Suite 121, Oakville, ON L6L 3B7 Canada
(Address of principal executive offices)
(877) 354-9991
(Registrant's telephone number, including area code)

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

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

Check whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act. (Check one):

Large Accelerated Filer

Accelerated Filer

Non-accelerated Filer

Smaller Reporting Company

Check whether the issuer is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

As of August 14, 2012, there were 291,338,777 shares of common stock, par value \$0.0001, issued and outstanding.

Explanatory Note

Joshua Gold Resources Inc. is filing this Amendment No. 1 (the "Amendment") to its Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2012, filed with the Securities and Exchange Commission on August 17, 2012 (the "Original Filing"), for the purpose of amending the following Items contained in the Original Filing: Item 1. Financial Statements, Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations, and Exhibit 101 (Interactive Data Files).

Except as stated in this Explanatory Note, no other information contained in any Item of the Original Filing is being amended, updated or otherwise revised. This Amendment speaks as of the filing date of the Original Filing and does not reflect any events that may have occurred subsequent to such date.

JOSHUA GOLD RESOURCES INC.

FORM 10-Q/A

INDEX

	Page
<u>PART I FINANCIAL INFORMATION</u>	
<u>Item 1 Financial Statements</u>	4
<u>Item 2 Management's Discussion and Analysis of Financial Condition and Results of Operations</u>	14
<u>Item 3 Quantitative and Qualitative Disclosures About Market Risk</u>	18
<u>Item 4 Controls and Procedures</u>	18
<u>PART II OTHER INFORMATION</u>	
<u>Item 1 Legal Proceedings</u>	19
<u>Item 1A Risk Factors</u>	19
<u>Item 2 Unregistered Sales of Equity Securities and Use of Proceeds</u>	19
<u>Item 3 Defaults Upon Senior Securities</u>	20
<u>Item 4 Mine Safety Disclosures</u>	20
<u>Item 5 Other Information</u>	20
<u>Item 6 Exhibits</u>	20
<u>SIGNATURES</u>	22

PART I FINANCIAL INFORMATION

Item 1. Financial Statements.

Joshua Gold Resources Inc.

(An Exploration Stage Company)

Balance Sheets

As Of

	June 30 2012 (Unaudited)	December 31, 2011 (Audited)
ASSETS		
Current Assets		
Cash	\$	\$ 24,566
Accounts receivable	41,363	27,582
Notes receivable	14,720	14,750
Total Current Assets	56,083	66,898
Other Assets		
Equipment	5,707	6,380
Mineral property interests	520,272	378,753
Total Other Assets	525,979	385,133
Total Assets	\$ 582,062	\$ 452,031
LIABILITIES AND STOCKHOLDERS EQUITY		
Current Liabilities		
Bank indebtedness	\$ 4,201	\$
Accounts payable and accrued liabilities	157,106	46,456
Advances from stockholders	219,006	129,153
Dividends payable	37,682	38,400
Due on mineral rights acquisition - current portion	99,602	43,265
Total Current Liabilities	517,597	257,274
Long Term Liabilities		
Due on mineral rights acquisition	53,971	78,664
Total Liabilities	571,568	335,938
Stockholders Equity		
Preferred stock, \$0.0001 par value; 100,000,000 shares authorized; 240,000 shares issued and outstanding (December 31, 2011 240,000)	24	24
Common stock, \$0.0001 par value; 400,000,000 shares authorized; 286,236,186 shares issued and outstanding (December 31, 2011 278,579,678)	28,624	27,858
Additional paid-in capital	2,067,052	1,357,543
Stock to be issued	399,116	303,190
Subscriptions receivable	(63,500)	(103,247)

Edgar Filing: JOSHUA GOLD RESOURCES INC - Form 10-Q/A

Accumulated other comprehensive (loss) income	(8,902)	25,175
Deficit accumulated during the exploration stage	(2,411,920)	(1,494,450)
Total Stockholders Equity	10,494	116,093
Total Liabilities and Stockholders Equity	\$ 582,062	\$ 452,031

See accompanying notes to the financial statements.

Joshua Gold Resources Inc.**(An Exploration Stage Company)****Statements of Operations and Comprehensive Loss****(Unaudited)**

	Three Months Ended June 30, 2012	Three Months Ended June 30, 2011
OPERATING EXPENSES		
Management fees	327,059	
Consulting fees	198,390	
Exploration	29,170	
Professional fees	22,065	13,243
General and administrative	55,043	11,337
Interest	6,365	
Depreciation	333	3,584
TOTAL OPERATING EXPENSES	638,425	28,164
LOSS FROM CONTINUING OPERATIONS	(638,425)	(28,164)
Loss from discontinued operations		
NET LOSS	(638,425)	\$ (28,164)
OTHER COMPREHENSIVE (LOSS) INCOME		
Foreign currency translation	23,083	41
COMPREHENSIVE LOSS	\$ (615,342)	\$ (28,123)
LOSS PER WEIGHTED NUMBER OF SHARES OUTSTANDING - BASIC AND DILUTED	\$ (0.00)	\$ (0.00)
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING - BASIC AND DILUTED	284,988,782	265,190,416

See accompanying notes to the financial statements.

Joshua Gold Resources Inc.

(An Exploration Stage Company)

Statements of Operations and Comprehensive Loss

(Unaudited)

	Six Months Ended June 30, 2012	Six Months Ended June 30, 2011	For the Period from Inception July 10, 2009 to June 30, 2012
OPERATING EXPENSES			
Management fees	356,427	\$	\$ 736,990
Consulting fees	285,606		648,225
Exploration	108,508	12,812	211,250
General and administrative	75,843	15,734	134,963
Professional fees	79,436	28,016	155,207
Interest	10,981		29,085
Depreciation	669	7,234	15,889
TOTAL OPERATING EXPENSES	917,470	63,796	1,931,609
LOSS FROM CONTINUING OPERATIONS	(917,470)	(63,796)	(1,931,609)
Loss from discontinued operations			(441,486)
NET LOSS	\$ (917,470)	\$ (35,632)	\$ (2,373,095)
OTHER COMPREHENSIVE INCOME			
Foreign currency translation	(5,497)	(4,118)	(8,902)
COMPREHENSIVE LOSS	\$ (922,967)	\$ (67,914)	\$ (2,381,997)
LOSS PER WEIGHTED NUMBER OF SHARES OUTSTANDING - BASIC AND DILUTED	\$ (0.00)	\$ (0.00)	
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING - BASIC AND DILUTED	283,800,019	265,190,416	

See accompanying notes to the financial statements.

Joshua Gold Resources Inc.

(An Exploration Stage Company)

Statements of Cash Flows

(Unaudited)

	Six Months Ended June 30, 2012	Six Months Ended June 30, 2011	Period from Inception (July 10, 2009) to June 30, 2012
CASH FLOWS FOR CONTINUING OPERATIONS			
OPERATING ACTIVITIES			
Loss from continuing operations	\$ (917,470)	\$ (63,796)	\$ (1,931,609)
Adjustments for non-cash items:			
Depreciation	669	7,234	15,889
Stock-based compensation	473,151		1,091,844
Accrued interest on advances from stockholders	10,981		29,085
Adjustments for changes in working capital:			
Accounts receivable	(14,023)	999	(41,363)
Prepaid expenses		12,997	
Accounts payable and accrued liabilities	110,650	15,127	157,106
NET CASH USED IN OPERATING ACTIVITIES FROM CONTINUING OPERATIONS	(336,042)	(50,887)	(679,048)
FINANCING ACTIVITIES			
Proceeds from bank overdraft	4,201		4,201
Advances from stockholders	91,794	129,282	219,006
Due on mineral rights acquisition	32,464		32,464
Proceeds on issuance of capital stock	236,199		782,015
NET CASH PROVIDED BY FINANCING ACTIVITIES FROM CONTINUING OPERATIONS	364,658	129,282	1,037,686
INVESTING ACTIVITIES			
Acquisition of mineral property interests	(49,945)		(283,195)
Deposit on mineral rights		(6,240)	
Acquisition of equipment			(6,622)
NET CASH USED IN INVESTING ACTIVITIES FROM CONTINUING OPERATIONS	(49,945)	(6,240)	(289,817)
NET (DECREASE) INCREASE IN CASH FROM CONTINUING OPERATIONS	(21,239)	72,155	68,821
CASH FLOWS FOR DISCONTINUED OPERATIONS			
OPERATING ACTIVITIES			
Loss from discontinued operations		(97,632)	(441,486)
Adjustments for non-cash items:			
Stock-based compensation			270,859
Adjustments for changes in working capital:			
Accounts receivable from discontinued operations		(4,679)	

Edgar Filing: JOSHUA GOLD RESOURCES INC - Form 10-Q/A

Liabilities from discontinued operations		(80,832)	
NET CASH USED IN OPERATING ACTIVITIES FROM DISCONTINUED OPERATIONS		(85,511)	(170,627)
FINANCING ACTIVITIES			
Issuance of common stock for cash			83,783
NET CASH PROVIDED BY FINANCING ACTIVITIES FROM DISCONTINUED OPERATIONS			83,783
NET DECREASE IN CASH FROM DISCONTINUED OPERATIONS		(85,511)	(86,844)
EFFECT OF EXCHANGE RATE CHANGES ON CASH	(3,237)	(8,002)	(6,543)
NET (DECREASE) INCREASE IN CASH	(24,566)	(21,358)	(24,566)
CASH, BEGINNING OF PERIOD	24,566	24,786	24,566
CASH, END OF PERIOD	\$	\$ 3,428	\$

See accompanying notes to the financial statements.

Joshua Gold Resources Inc.

(An Exploration Stage Company)

Notes to Financial Statements

For the Period from Inception (July 10, 2009) to June 30, 2012

(Unaudited)

1. Nature of Operations

Joshua Gold Resources Inc. (referred to herein as "Joshua", or the "Company") was incorporated on July 10, 2009 in the State of Nevada.

The Company operates as a mineral exploration business headquartered in Oakville, Ontario, Canada. Its principal business activity is the acquisition, exploration and development of mineral property interests in Canada. The Company is considered to be in the exploration stage and substantially all of the Company's efforts are devoted to financing and developing these property interests.

The Company has the rights to three mineral properties, the Carson Property in the Northwest Territories, Canada, the Garrett Property in Ontario, Canada, and the Elijah Property in Shining Tree, Ontario, Canada. There has been no determination whether the Company's interests in unproven mineral properties contain mineral reserves, which are economically recoverable.

2. Basis of Presentation

The accompanying unaudited interim financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America for interim financial information and with the instructions to Security and Exchange Commission (SEC) Form 10-Q and Article 8 of SEC Regulation S-X. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. Operating results for the six months ended June 30, 2012 are not necessarily indicative of the results that may be expected for the year ending December 31, 2012.

3. Going Concern

The financial statements have been prepared on a going concern basis. The going concern basis of presentation assumes that the Company will continue operations for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of operation.

The Company has incurred a net loss of \$917,470 for the period ended June 30, 2012, and a working capital deficit of \$461,514 as of June 30, 2012. As an exploration stage entity, the Company has not yet commenced its mining operations and accordingly does not have any revenue. This casts doubt on the Company's ability to continue as a going concern unless it can begin to generate net profit and raise adequate financing.

The Company has been seeking additional debt or equity financing to support its operations until it becomes cash flow positive. There can be no assurances that action and plan such as above will be sufficient for the Company to continue operating as a going concern.

The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or amounts classified as liabilities that might be necessary should the Company be unable to continue in existence. These adjustments could be material.

4. Mineral Property Interests

		Mineral Property Interest	
Carson Property (a)		\$	200,000
Balance at December 31, 2010	CAD		200,000
Garrett Property (b)			185,186
Balance at December 31, 2011	CAD		385,186
Elijah Property (c)			145,000
Balance at June 30, 2012	CAD	\$	530,186
Foreign currency translation			(9,914)
Balance at June 30, 2012	USD	\$	520,272

a) Carson Property

On December 23, 2010, the Company entered into a mineral property acquisition agreement with 2214098 Ontario Ltd. pursuant to which the Company acquired the mining lease to the Carson Property. Under the acquisition agreement, the Company is required to pay:

1. Cash consideration of \$98,130 (\$100,000 CAD) to be paid according to an installment schedule between April 30, 2011 and September 30, 2015;
2. Equity consideration of 1,000,000 shares of common stock to be issued on or before March 30, 2011; and
3. Royalty of 3% of all net smelter returns upon commencement of commercial production of the property.

The Carson Property is 1,812 acres in area and is located north-north-west of the City of Yellowknife, in the Northwest Territories, Canada. The Company's interest in the property consists of a 21 year mining lease, which expires on June 30, 2024 and for which the Company is responsible for making annual lease payment of \$1,141, in order to keep the lease in good standing.

In accordance with the Company's accounting policy, the only costs related to the property that can be capitalized are the costs of acquisition of a mineral interest from a third party. As such, annual lease payments are expensed as incurred. As of June 30, 2012, management determined that there were no events or changes in circumstances which may have impaired the carrying value of the Carson Property.

As of June 30, 2012, the Company paid \$27,500 of the balance due on the Carson Property, and issued 1,000,000 shares of common stock to 2214098 Ontario Ltd.

b) Garrett Property

On June 25, 2011 the Company entered into a mineral property acquisition agreement with Firelake Resources Inc. whereby it acquired certain mineral interests in the Garrett Property. Consideration for the mineral interests is as follows:

1. Cash consideration of \$49,065 (\$50,000 CAD) to be paid in two equal installments of \$24,533 (\$25,000 CAD) on January 31, 2012 and January 31, 2013.

2. Equity consideration of 2,000,000 shares of common stock to be issued on or before January 31, 2012
3. Royalty of 2% of all net smelter returns upon commencement of commercial production at the property.

As of June 30, 2012, the Company paid \$5,888 (\$6,000 CAD) of the balance due on the Garrett Property, and issued 2,000,000 shares of common stock to Firelake Resources Inc.

The Garrett Property is 8,900 acres in area and is located north of the City of Sudbury, in Ontario, Canada. The Company's interest in the property consists of 157 mineral claim units staked by a prospector. Mining cannot take place until the claims are brought to lease. In order to keep the claims in good standing, the Company is required to perform \$32,800 of exploration work before November 2012 and \$30,000 of exploration work before October 2013.

In accordance with the Company's accounting policy, the only costs related to the property that can be capitalized are the costs of acquisition of a mineral interest from a third party. As such, claim staking and exploration work has been expensed as incurred. As of June 30, 2012, management determined that there were no events or changes in circumstances, which may have impaired the carrying value of the Garrett Property.

c) Elijah Property

On February 13, 2012, the Company finalized a mineral property acquisition agreement with Shining Tree Resources Corp. (Shining Tree), under which the Company would acquire a 50% interest in the Elijah Property in the townships of Churchill and Asquith in the Province of Ontario, Canada. In exchange for the interest in the property, the Company will:

1. Pay cash consideration of \$49,065 (\$50,000 CAD) according to an installment schedule between February and July 2012;
2. Issue 1,000,000 shares of common stock to Shining Tree; and
3. Complete exploration expenditures having a value of \$196,260 (\$200,000 CAD) on the conveyed property before February 10, 2014. Upon completion of payment for the conveyed property in the aggregate amount of \$49,065 (\$50,000 CAD) and of exploration expenditures on the conveyed property, Shining Tree will issue to the Company 1,000,000 common shares of Shining Tree common stock, on or before July 30, 2012

As of June 30, 2012, the Company paid \$10,000 (\$10,090.30 CAD) of the balance due on the Elijah Property.

Description of Elijah Property

The Elijah Property consists of four (4) unpatented mining claims (38 units approximately 1,520 acres) in Asquith and Churchill Townships, Larder Lake Mining District, Ontario, Canada. The property lies approximately 3km northeast of the hamlet of Shining Tree along Regional Highway 560, which is a paved road. Access to the property is well maintained throughout all seasons, with former lumber gravel roads intersecting the property.

5. Advances From Stockholders

The Company has advances from stockholders due to various individuals and corporations who are not related parties. These amounts are unsecured, interest-bearing at 12% per annum, and are due on demand.

6. Due On Mineral Rights Acquisitions

	June 30, 2012 (Unaudited)	December 31, 2011 (Audited)
Due to 2214098 Ontario Ltd re Carson Lake Property	\$ 71,145	78,664
Due to Firelake Resources Inc. re Eric & Huffman Property	43,177	43,265
Due to Shining Tree re Churchill & Asquith Property	39,252	
	153,573	121,929
Less: current portion	99,602	(43,265)
Long-Term Debt	\$ 53,971	78,664

The Company is required to make certain payments in respect of its 2010 acquisition of the Carson Property, its 2011 acquisition of the Garrett Property and its 2012 acquisition of the Elijah Property (note 4). These payments are due to 2214098 Ontario Ltd., Firelake Resources Inc., and Shining Tree, the corporations from which the properties were acquired.

The amounts due are unsecured, non-interest bearing, and are due as follows:

2012 (six months)	\$ 75,069
2013	34,346
2014	9,812
2015	34,346
Total	\$ 153,573

As of June 30, 2012, the Company is in arrears on its payments by \$55,443. This amount has been included above in the installments due for 2012.

7. Capital Stock**a) Common Stock**

During the six months ended June 30, 2012, the Company issued 2,187,982 shares of common stock pursuant to private placement transactions at prices of \$0.075 to \$0.095 per share and for total cash proceeds of \$132,000 and stock subscription receivable of \$63,500.

During the six months ended June 30, 2012, the Company issued 2,468,526 shares of common stock to directors of the Company for services rendered. These transactions have been recorded as stock-based compensation with a total value of \$177,510. Of these issuances, 600,000 shares of common stock were recorded as shares to be issued as of December 31, 2011 for \$45,104.

During the six months ended June 30, 2012, the Company issued 3,000,000 shares of common stock to 2214098 Ontario Ltd. and Firelake Resources Inc. (note 4) in relation to previous mineral rights acquisitions. As of December 31, 2011, these shares were recorded within shares to be issued for \$250,576.

b) Stock To Be Issued

As of June 30, 2012, the Company has yet to issue 1,000,000 shares of common stock to Shining Tree (note 4), in relation to a mineral rights acquisition.

As of June 30, 2012, the Company has yet to issue 3,222,275 shares of common stock to directors and consultants for services rendered. The Company has recorded stock-based compensation and stock to be issued of \$295,641 in respect of these obligations.

c) Subscriptions Receivable

During the six months ended June 30, 2012, the Company has received payments of \$103,247 related to subscriptions receivable, and recorded additional \$63,500 subscriptions receivable for shares issued.

d) Warrants

The below table summarizes the Company's activity with respect to warrants:

		Number of Warrants	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term
Balance	December 31, 2010			
Granted		3,723,397	0.129	0.416
Cancelled				
Exercised				
Balance	December 31, 2011	3,723,397	0.129	0.416
Granted		2,187,982	0.135	0.707
Cancelled				
Exercised				
Balance	June 30, 2012	5,911,379	\$ 0.131	0.524

On various dates between October 18, 2011 and June 30, 2012, the Company issued 5,911,379 warrants in connection with its private placements of common stock. Each warrant entitles the holder to purchase 1 share of common stock of the Company at exercise prices ranging from \$0.10 to \$0.20 per share for a term of 1 year from the issue date.

e) Stock-Based Compensation

The Company incurred stock-based compensation expense in connection with its compensation agreements for its directors, management, and employees. Under these agreements, common stock may be issued as a signing bonus or at certain benchmark dates within an individual's period of service. Stock-based compensation is calculated as the fair value of the stock issued or to be issued to an individual and is recorded at the time the stock becomes owing to the individual. Stock issued to a director, manager, or employee is deferred in the event that their contract requires the individual to remain employed with the Company for a specified time period after issuance.

During the six months ended June 30, 2012, the Company issued 2,468,526 shares of common stock and a further 3,112,012 shares became issuable in connection with stock-based compensation arrangements. These shares were valued at \$0.095 per share and resulted in compensation expense of \$473,151. These fees were recorded as a component of consulting fees in the amount of \$201,510 and management fees in the amount of \$271,641 on the statement of operations.

8. Related Party Transactions

The following transactions with related parties were in the normal course of operations and were measured at the exchange value which represented the amount of consideration established and agreed to by the parties.

During the six months ended June 30, 2012, the Company issued 1,989,473 shares of common stock as compensation to directors and officers of the Company. As of June 30, 2012, an additional 3,112,012 shares of common stock are due to be issued to directors and officers of the Company. Stock-based compensation of \$427,641 was recorded in relation to these shares.

9. Financial Instruments

Fair Values

The Company's financial instruments consist of cash, accounts receivable, notes receivable, accounts payable and accrued liabilities, advances from stockholders, dividends payable, and amounts due on mineral rights acquisition. The fair values of these financial instruments approximate their carrying values due to the short-term maturity of these instruments.

Foreign Currency Risk

Foreign currency risk is the risk that changes in the rates of exchange on foreign currencies will impact the financial position or cash flows of the Company. The Company's functional currency is the Canadian dollar, thus the Company is exposed to foreign currency risks in relation to certain payables that are to be settled in US dollars. Management monitors its foreign currency exposure regularly to minimize the risk of an adverse impact on its cash flows.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss in the event that certain counterparties are unable to fulfill its obligations to the Company. The Company limits its exposure to credit loss on its cash by placing its cash with high credit quality financial institutions. Accounts receivables are harmonized sales taxes due from the Canadian government and notes receivable are due from stockholders of the Company.

Liquidity Risk

Liquidity risk is the risk that the Company's cash flows from operations will not be sufficient for the Company to continue operating and discharge its liabilities. The Company is exposed to liquidity risk as its continued operation is dependent upon its ability to obtain financing, either in the form of debt or equity, or achieving profitable operations in order to satisfy its liabilities as they come due.

Market Risk

Market risk is the risk that fluctuations in the market prices of minerals will impact the Company's ability to build and achieve profitable operations. The Company is exposed to market risk on the price of gold, which will determine the profitability of future operations, the amount of exploration and development work that the Company will be able to perform, and the number of financing opportunities that will be available. Management believes that it would be premature at this point to enter into any hedging or forward contracts to mitigate its exposure to specific market price risks.

10. Subsequent Events

On July 1, 2012, the Company issued 384,210 shares of common stock at a price of \$0.095 in a private placement for proceeds of \$36,500.

On July 17, 2012, the Company issued 2,959,381 shares of common stock to a director and a consultant for services rendered. These shares are included within the shares to be issued discussed in note 7 (b).

On July 17, 2012, the Company issued 1,759,000 shares of common stock to a director and a consultant for services to be rendered.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operation.

Forward Looking Statements

Certain statements, other than purely historical information, including estimates, projections, statements relating to our business plans, objectives, and expected operating results, and the assumptions upon which those statements are based, are forward looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. These forward-looking statements generally are identified by the words believes, project, expects, anticipates, estimate, intends, strategy, plan, may, will, would, will be, will continue, will likely result, and similar expressions. We intend such statements to be covered by the safe-harbor provisions for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995, and we are including this statement for purposes of complying with those safe-harbor provisions. Forward-looking statements are based on current expectations and assumptions that are subject to risks and uncertainties which may cause actual results to differ materially from the forward-looking statements. Our ability to predict results or the actual effect of future plans or strategies is inherently uncertain. Factors which could have a material adverse effect on our operations and future prospects on a consolidated basis include, but are not limited to: changes in economic conditions, legislative/regulatory changes, availability of capital, interest rates, competition, and generally accepted accounting principles. These risks and uncertainties should also be considered in evaluating forward-looking statements and undue reliance should not be placed on such statements. We undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise. Further information concerning our business, including additional factors that could materially affect our financial results, is included herein and in our other filings with the SEC.

Overview

With respect to this discussion, the terms we, us, our and the Company refer to Joshua Gold Resources Inc.

(a) Corporate History and Background.

We were incorporated in the State of Nevada on July 10, 2009. Prior to the Stock Purchase transaction described below in this Item 2, our business purpose was to seek the acquisition of or merger with, an existing private company. Accordingly, we were engaged in organizational efforts in order to put us in a position where we could seek to target and eventually acquire an existing private company.

On June 4, 2010, Ben Fuschino, our sole officer and director at that time, sold his 35,000,000 shares of the Company's common stock, which shares represented 100% of our issued and outstanding common stock, to Luc Duchesne and Robert Cormier for a total purchase price of \$7,000 (the Stock Purchase). Upon closing of the Stock Purchase, (i) Mr. Duchesne and Mr. Cormier held a controlling 100% ownership in the Company, (ii) we changed our business and became a start-up carbon measuring company and (iii) we changed our name to Bio-Carbon Systems International Inc. to better reflect our new business enterprise.

Immediately after the closing of the Stock Purchase, on June 4, 2010, we entered into a license agreement (the Cormier License) with R&B Cormier Enterprises Inc. (Cormier Enterprises), an Ontario corporation and a license agreement (the GSN License) with GSN Dreamworks, Inc., an Ontario corporation (GSN). The Cormier License and GSN License (collectively, the License Agreements) granted the Company licensed intellectual property and technology to conduct airborne and other surveys of forested lands in areas that are difficult to access. Those surveys would have been conducted in a statistically verifiable process designed for use in carbon trading programs to assess the potential value of the surveyed lands as carbon sequestration land parcels in carbon trading, carbon sequestration, and other greenhouse gas emission control, offset and reduction programs.

Also, on June 4, 2010, the Company entered into consulting agreements (collectively, the Consulting Agreements) with Mr. Duchesne and Mr. Cormier, pursuant to which Mr. Duchesne and Mr. Cormier agreed to provide the Company with management and advisory services with respect to the intellectual property licensed to the Company under the Cormier and GSN Licenses.

On December 23, 2010, the Company elected to terminate the License Agreements and Consulting Agreements as the Company determined that conditions were not in place for the successful exploitation of the technology covered by the License Agreements. The termination did not give rise to any penalties against the Company as the termination was concluded through a mutual agreement of separation.

(b) Current Business of Issuer and Recent Material Transactions.

Edgar Filing: JOSHUA GOLD RESOURCES INC - Form 10-Q/A

Upon termination of the aforementioned License and Consulting Agreements, the Company abandoned the carbon measuring business and became a mineral exploration company located in Oakville, Ontario through the acquisition of a mineral rights lease, as described in further detail below. The Company's principal business activity now is the exploration of mineral property interests. The Company is considered to be in the exploration stage and substantially all of the Company's efforts are devoted to exploring mineral property interests. There has been no determination whether the Company's interests in unproven mineral properties contain mineral reserves which are economically recoverable.

On December 23, 2010, the Company entered into a mineral property acquisition agreement (the "2214098 Acquisition Agreement") with 2214098 Ontario Ltd. ("2214098") whereby the Company purchased from 2214098 the mining lease for a certain property located 195 kilometers north-northwest of the City of Yellowknife, Northwest Territories, Canada, on the west shore of Damoti Lake in the Indin Lake Greenstone Belt and known as a claim BR2 (the "Carson Property"). The term of the lease runs until June 30, 2024. The lease is registered at the Northwest Territories Mining Recorder as mining lease 3446 and covers an area of approximately 1,550 acres. Management believes that the Carson Property could potentially host economic gold deposits and, upon expert opinion of their geologists, warrants continued mineral exploration on the property.

In December of 2010, the Company retained an independent geological firm, Aurora Geosciences Inc. to visit the Carson Property and write an evaluation report under Canada's National Instrument 43-101 guidelines. Management, upon the recommendation of Mr. David White, the qualified person who completed the National Instrument 43-101 report, has committed to a phased exploration of the Carson Property upon attainment of sufficient capital. Management is currently preparing an exploration budget based on this recommendation.

Additionally, on June 25, 2011, the Company entered into a mineral property acquisition agreement (the Fire Lake Acquisition Agreement) with Fire Lake Resources Inc. (Fire Lake) whereby the Company agreed to purchase from Fire Lake certain mineral interests located in the townships of Eric and Huffman in the Province of Ontario, Canada (the Eric and Huffman Property) in consideration for the sum of Fifty Thousand and No/100 Dollars (CDN \$50,000) and Two Million (2,000,000) shares of common stock of the Company (the Firelake Shares), to be paid by Company to Fire Lake as follows: CDN \$25,000 on or before January 31, 2012; CDN \$25,000 on or before January 31, 2013; and delivery of the Fire Lake Shares on or before January 31, 2012. Additionally, upon commencement of commercial production of the Eric and Huffman Property, the Company will pay to Fire Lake a royalty equal to two percent (2%) of all net smelter returns on minerals from the Property. CDN \$50,000 is approximately USD \$52,220 and CDN \$25,000 is approximately USD \$26,102.

On February 7, 2012, the Company entered into and closed a mineral property acquisition agreement (the Original Agreement), as amended and restated on February 13, 2012 (the Amended Agreement), with Shining Tree Resources Corp. (Shining Tree), pursuant to which Shining Tree agreed to sell to Company an undivided fifty percent (50%) interest in and to certain mineral interests found on that certain Elijah Property located in the Townships of Churchill and Asquith, Ontario, Canada (the Conveyed Property). As consideration for the sale of the Conveyed Property, the Company agreed to deliver the following to Shining Tree in the manner set forth below:

1) USD \$50,270 (\$50,000 CDN) according to the following schedule:

(a) USD \$10,054 (\$10,000 CDN) upon execution of the Agreement;

(b) USD \$10,054 (\$15,000 CDN) due on March 30, 2012;

(c) USD \$10,054 (\$15,000 CDN) due on June 30, 2012; and

(d) USD \$10,054 (\$10,000 CDN) due on July 30, 2012.

2) subject to the approval of the Board of Directors of the Company, One Million (1,000,000) common shares of Company on or before March 30, 2012; and

3) complete USD \$201,097 (\$200,000 CDN) of Expenditures (as defined in the Original and Amended Agreement) on the Conveyed Property on or before February 10, 2014. Upon completion of payment for the Conveyed Property in the aggregate amount of USD \$50,270 (\$50,000 CDN) of Expenditures on the Conveyed Property, Shining Tree will issue to Company 1,000,000 common shares of Shining Tree on or before July 30, 2012.

Liquidity and Capital Resources

We are an exploration stage company focused on developing our business in the mineral exploration sector. Our principal business objective for the next twelve (12) months will be to continue to develop our business plan in this sector.

As of June 30, 2012, we had cash on hand of \$0 and current liabilities of \$517,597. We do not have sufficient capital to operate our business and will require additional funding to sustain operations through December 2012. There is no assurance that we will be able to achieve revenues sufficient to become profitable.

We have incurred losses since inception and our ability to continue as a going-concern depends upon our ability to develop profitable operations and to continue to raise adequate financing. We are actively targeting sources of additional financing to provide continuation of our operations. In order for us to meet our liabilities as they come due and to continue our operations, we are solely dependent upon our ability to generate such financing.

Edgar Filing: JOSHUA GOLD RESOURCES INC - Form 10-Q/A

There can be no assurance that the Company will be able to continue to raise funds, in which case we may be unable to meet our obligations and we may cease operations.

Net cash used in operating activities. During the six months ended June 30, 2012, net cash used in operating activities was \$336,042 compared with \$50,887 used in operating activities for the six months ended June 30, 2011. The cash flow used in operating activities in the six months ended June 30, 2012 was primarily the result of exploration, administrative, legal and audit fees. The cash flow used in operating activities in the six months ended June 30, 2011 was primarily the result of exploration expenses.

Net cash used in investing activities. During the six months ended June 30, 2012, net cash used in investing activities was \$49,945 compared with \$6,240 used in investing activities for the six months ended June 30, 2011. The cash flow used in investing activities in the six months ended June 30, 2012 was primarily the result of acquisition of mineral rights.

Net cash provided by financing activities. During the six months ended June 30, 2012, net cash provided by financing activities was \$364,658 compared with \$129,282 provided by financing activities for the six months ended June 30, 2011. The cash flow provided by financing activities in the six months ended June 30, 2012 was primarily derived from the issuance of our stock. The cash flow provided by financing activities in the six months ended June 30, 2011 was primarily derived from shareholder advances and issuance of stock for services.

Results of Operations

Comparison of Three Months Ended June 30, 2012 to Three Months Ended June 30, 2011

We did not earn any revenues during the three months ended June 30, 2012 and June 30, 2011. We do not anticipate earning revenues until such time as we have entered into commercial production of our mineral properties. We are presently in the exploration stage of our business and we can provide no assurance that we will discover commercially exploitable levels of mineral resources on our properties, or if such resources are discovered, that we will enter into commercial production of our mineral properties.

Management Fees. Management fees increased to \$327,059 for the three months ended June 30, 2012 from \$Nil for the three months ended June 30, 2011. The increase in management fees was primarily attributable to stock-based compensation expense recorded for the issuance of the final tranche of the CEO's signing bonus.

Consulting Fees. Consulting fees increased to \$198,390 for the three months ended June 30, 2012 from \$Nil for the three months ended June 30, 2011. The increase in consulting fees was primarily attributable to stock-based compensation expense recorded for the issuance of shares to consultants, directors, and officers.

Exploration Expenses. Exploration expenses increased to \$29,170 for the three months ended June 30, 2012 from \$Nil for the three months ended June 30, 2011. The increase in exploration expenses was due to the Company having performed exploration work, whereas none had been performed in the comparative quarter.

General and Administrative Expenses. General and administrative expenses increased to \$55,043 for the three months ended June 30, 2012 from \$11,337 for the three months ended June 30, 2011. The increase in general and administrative expenses is primarily related to increase in scope of operations and business activities.

Professional Fees. Professional fees increased to \$22,065 for the three months ended June 30, 2012 from \$13,243 for the three months ended June 30, 2011. The increase in professional fees was primarily due to increased business activity.

Interest Expense. Interest expense increased to \$6,365 for the three months ended June 30, 2012 compared with \$Nil for the three months ended June 30, 2011. The increase in interest expense was primarily due to increased debt in the company as a result of operations.

Depreciation. Depreciation expenses decreased to \$333 for the three months ended June 30, 2012 from \$3,584 for the three months ended June 30, 2011. The decrease in depreciation expenses was primarily due to previous depreciation applied to assets.

Net loss. For the three months ended June 30, 2012, we incurred a net loss of \$638,425 as compared to a net loss of \$28,164 for the three months ended June 30, 2011. The increase in net loss was primarily a result of the timing of share issuances for stock-based compensation expenses and an increase in operational activity.

Comparison of Six Months Ended June 30, 2012 to Six Months Ended June 30, 2011

We did not earn any revenues during the six months ended June 30, 2012 and June 30, 2011. We do not anticipate earning revenues until such time as we have entered into commercial production of our mineral properties. We are presently in the exploration stage of our business and we can provide no assurance that we will discover commercially exploitable levels of mineral resources on our properties, or if such resources are discovered, that we will enter into commercial production of our mineral properties.

Management Fees. Management fees increased to \$356,427 for the six months ended June 30, 2012 from \$Nil for the six months ended June 30, 2011. The increase in management fees was primarily attributable to stock-based compensation expense recorded for the issuance of the final tranche of the CEO's signing bonus.

Consulting Fees. Consulting fees increased to \$285,606 for the six months ended June 30, 2012 from \$Nil for the six months ended June 30, 2011. The increase in consulting fees was primarily attributable to stock-based compensation expense recorded for the issuance of shares to consultants, directors, and officers.

Exploration Expenses. Exploration expenses increased to \$108,508 for the six months ended June 30, 2012 from \$12,812 for the six months ended June 30, 2011. The increase in exploration expenses was due to the Company having performed exploration work, whereas none had been performed in the comparative quarter.

General and Administrative Expenses. General and administrative expenses increased to \$75,843 for the six months ended June 30, 2012 from \$15,734 for the six months ended June 30, 2011. The increase in general and administrative expenses is primarily related to increased business operations.

Professional Fees. Professional fees increased to \$79,436 for the six months ended June 30, 2012 from \$28,016 for the six months ended June 30, 2011. The increase in professional fees was primarily due to increased business operations.

Interest Expense. Interest expense increased to \$10,981 for the six months ended June 30, 2012 compared with \$Nil for the six months ended June 30, 2011. The increase in interest expenses was primarily due to increased borrowing and use of debt to finance the company.

Depreciation. Depreciation expenses decreased to \$669 for the six months ended June 30, 2012 from \$7,234 for the six months ended June 30, 2011. The decrease in depreciation expenses was primarily due to previous depreciation applied to assets.

Net loss. For the six months ended June 30, 2012, we incurred a net loss of \$917,470 as compared to a net loss of \$35,632 for the six months ended June 30, 2011. The increase in net loss was primarily a result of the timing of share issuances for stock-based compensation expenses and increased business operations and exploration work.

Off-Balance Sheet Arrangements

We have not entered into any off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources and would be considered material to investors.

Inflation

We do not believe that inflation has had in the past or will have in the future any significant negative impact on our operations.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

As we are a smaller reporting company, we are not required to provide the information required by this item.

Item 4. Controls and Procedures.

(a) Evaluation of disclosure controls and procedures.

We maintain disclosure controls and procedures (as defined in Exchange Act Rule 13a-15(e)) that are designed to assure that information required to be disclosed in our Exchange Act reports is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms, and that such information is accumulated and communicated to management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosures. As required by Exchange Act Rule 13a-15(b), as of the end of the period covered by this report, under the supervision and with the participation of our Chief Executive Officer and Chief Financial Officer, we evaluated the effectiveness of our disclosure controls and procedures and concluded that our disclosure controls and procedures are ineffective as of the date of filing this Form 10-Q due to limited accounting and reporting personnel, inadequate accounting policies and procedures, and a lack of segregation of duties due to limited financial resources and the size of our company. We will need to adopt additional disclosure controls and procedures prior to commencement of material operations. Consistent therewith, on an on-going basis we will evaluate the adequacy of our controls and procedures.

(b) Changes in internal control over financial reporting.

We have made significant changes in internal control over financial reporting during the last fiscal quarter covered by this report that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting. Specifically, we implemented financial reporting procedures and protocols combined with utilization and optimization of business information systems, with full management and oversight by a fully accredited professional accountancy and its professional staff for all financial reporting and records keeping. This process of strengthening our internal controls is ongoing and we intend to further enhance our internal controls during the third quarter of 2012.

PART II OTHER INFORMATION

Item 1. Legal Proceedings.

There are no legal proceedings that have occurred within the past five years concerning our directors or control persons which involved a criminal conviction, a criminal proceeding, an administrative or civil proceeding limiting one's participation in the securities or banking industries, or a finding of securities or commodities law violations.

Item 1A. Risk Factors.

As we are a smaller reporting company, we are not required to provide the information required by this item.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

(a) Unregistered Sales of Equity Securities.

During the quarterly period ended June 30, 2012, the Company issued shares of the Company's common stock to certain accredited investors and officers and directors of the Company as provided in further detail below.

On May 3, 2012, the Company issued 336,842 shares of the Company's common stock to a certain director of the Company in consideration for services rendered to the Company.

On May 3, 2012, the Company issued 58,000 shares of the Company's common stock to a certain accredited investor in consideration for recruitment services rendered to the Company.

On May 3, 2012, the Company issued 636,842 shares of the Company's common stock to a certain director of the Company in consideration for services rendered to the Company.

On May 3, 2012, the Company issued 636,842 shares of the Company's common stock to a certain officer of the Company in consideration for services rendered to the Company.

On May 3, 2012, the Company issued 42,105 shares of the Company's common stock to a certain accredited investor in consideration for services rendered to the Company.

On May 3, 2012, the Company issued 336,842 shares of the Company's common stock to a certain officer and director of the Company in consideration for services rendered to the Company.

On May 30, 2012, the Company issued 157,895 shares of the Company's common stock to a certain accredited investor in consideration for \$15,000.00.

On June 7, 2012, the Company issued 100,000 shares of the Company's common stock to a certain accredited investor in consideration for \$9,500.00.

On June 28, 2012, the Company issued 300,000 shares of the Company common stock to certain accredited investors in consideration for \$28,500.00.

The transactions described above were exempt from registration pursuant to Section 4(2) of the Securities Act of 1933, as amended.

(b) Use of Proceeds.

Not Applicable.

(c) Affiliated Purchases of Common Stock.

None.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

As the mines operated by the Company are not located in the United States, we are not subject to the provisions of the Federal Mine Safety and Health Act of 1977 and are thus not required to provide the information required by this Item 4.

Item 5. Other Information.

None.

Item 6. Exhibits.

INDEX TO EXHIBITS

Exhibit	Description
*3.1	Articles of Incorporation
*3.2	By-laws
*3.3	Certificate of Amendment to the Articles of Incorporation
*10.1	Mineral Property Acquisition Agreement, by and between Company and 2214098 Ontario Ltd., entered into on December 23, 2010
*10.2	Mineral Property Acquisition Agreement, by and between Company and Fire Lake Resources Inc., entered into on June 25, 2011
*10.3	Mineral Property Acquisition Agreement, by and between Company and Shining Tree Resources Corp., entered into on February 7, 2012
*10.4	License Agreement, by and between Company and GSN Dreamworks, Inc., entered into June 4, 2010
*10.5	License Agreement, by and between Company and R&B Cormier Enterprises Inc., entered into on June 4, 2010
*10.6	Consulting Agreement, by and between Company and Mr. Luc Duchesne, entered into on June 4, 2010
*10.7	Consulting Agreement, by and between Company and Mr. Rob Cormier, entered into on June 4, 2010
31.1	Certification of our Chief Executive Officer pursuant to Rule 13(a)-14(a)/15d-14(a) of the Securities Exchange Act of 1934, as amended

31.2	Certification of our Chief Financial Officer pursuant to Rule 13(a)-14(a)/15d-14(a) of the Securities Exchange Act of 1934, as amended
32.1	Certification of our Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes Oxley Act of 2002
32.2	Certification of our Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes Oxley Act of 2002
**101.INS	XBRL Instance Document
**101.SCH	XBRL Taxonomy Extension Schema Document
**101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
**101.DEF	XBRL Taxonomy Extension Definition Linkbase Document
**101.LAB	XBRL Taxonomy Extension Label Linkbase Document
**101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document

* Included in previously filed reporting documents.

** Pursuant to Rule 406T of Regulation S-T, these interactive data files are deemed not filed or part of a registration statement or prospectus for purposes of Sections 11 or 12 of the Securities Act of 1933, as amended, is deemed not filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and otherwise is not subject to liability under these sections.

SIGNATURES

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

Joshua Gold Resources Inc.

Dated: September 26, 2012

By: /s/ Benjamin Ward
Benjamin Ward
President, Chief Executive Officer (Principal

Executive Officer) and Director

Joshua Gold Resources Inc.

Dated: September 26, 2012

By: /s/ Dino Micacchi
Dino Micacchi
Chief Financial Officer (Principal Financial Officer)