LINCOLN GOLD CORP
Form 10QSB
August 06, 2004

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

FORM 10-QSB

x Quarterly Report Pursuant To Section 13 Or 15(D) Of The Securities Exchange Act Of 1934
For the quarterly period ended **June 30, 2004**

¨ Transition Report Under Section 13 Or 15(D) Of The Securities Exchange Act Of 1934
For the transition period from _____ to _____

COMMISSION FILE NUMBER 0-25827

LINCOLN GOLD CORPORATION
(Name of small business issuer in its charter)

NEVADA	**88-0419475**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
Suite 306, 1140 Homer Street, Vancouver, BC	**V6B 2X6**
(Address of principal executive offices)	(Zip Code)

604-689-1659
Issuer's telephone number

Check whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 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 x** **No ¨**

State the number of shares outstanding of each of the issuer's classes of common equity, as of the latest practicable date. **36,100,000 shares of Common Stock as of August 4, 2004**

Transitional Small Business Disclosure Format (check one): **Yes ¨** **No x**

LINCOLN GOLD CORPORATION
(Formerly Braden Technologies Inc.)

QUARTERLY REPORT ON FORM 10-QSB

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PART I

ITEM 1. Financial Statements

The following financial statements of Lincoln Gold Corporation (the "Company") are included with this Quarterly Report on Form 10-QSB:

1. Consolidated Financial Statements (unaudited) for the three month period ended June 30, 2004, including:

   a. Consolidated Balance Sheets as at June 30, 2004 and December 31, 2003;

   b. Consolidated Statement of Loss and Deficit for the three months ended June 30, 2004 and for the six month period ended June 30, 2004;

   c. Consolidated Statements of Cash Flows for the six months ended June 30, 2004;

   d. Consolidated Statement of Stockholders' Equity for the period ended June 30, 2004;

   e. Notes to Financial Statements.

LINCOLN GOLD CORP.
(An Exploration Stage Company)

FINANCIAL STATEMENTS

JUNE 30, 2004
(Unaudited)
(Stated in U.S. Dollars)

LINCOLN GOLD CORP.
(An Exploration Stage Company)

BALANCE SHEET
(Unaudited)
(Stated in U.S. Dollars)

	JUNE 30 2004	DECEMBER 31 2003
ASSETS		
Current		
Cash	$ 215,198	$ 15,405
Mineral Property Interests (Note 3)	-	-
	$ 215,198	$ 15,405
LIABILITIES		
Current		
Accounts payable	$ 100,894	$ 15,374
Note Payable	200,000	-
	300,894	15,374
SHAREHOLDERS' EQUITY (DEFICIENCY)		
Share Capital		
Authorized:		
100,000,000 common shares, par value $0.001 per share		
Issued and outstanding:		
36,100,000 common shares at June 30, 2004 and 2,400,000 common shares at December 31, 2003	36,100	2,400
Additional paid-in capital	349,300	13,950
Deficit Accumulated During The Exploration Stage	(471,096)	(16,319)
	(85,696)	31
	$ 215,198	$ 15,405

LINCOLN GOLD CORP.
(An Exploration Stage Company)

STATEMENT OF LOSS AND DEFICIT
(Unaudited)
(Stated in U.S. Dollars)

	SIX MONTHS EDNED JUNE 30 2004	THREE MONTHS ENDED JUNE 30 2004	PERIOD FROM INCEPTION SEPTEMBER 25 2003 TO JUNE 30 2004
Expenses			
Interest and bank charges	**$ 9,004**	$ 5,657	$ 9,004
Investor relations	**256,775**	256,775	256,775
Foreign exchange (gain)	**(663)**	(663)	(663)
Office and sundry	**816**	477	911
Management fees	**1,000**	1,000	1,000
Filing and transfer fees	**1,344**	1,344	1,344
Travel	**1,214**	1,214	1,214
Mineral property acquisition and exploration expenditures	**38,145**	28,268	49,654
Professional fees	**25,790**	19,811	30,505
Net Loss For The Period	**$ 333,425**	$ 313,883	$ 349,744
Basic And Diluted Loss Per Share	**$ 0.01**	$ 0.01	
Weighted Average Number Of Shares Outstanding	**23,516,667**	35,633,333	

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LINCOLN GOLD CORP.
(An Exploration Stage Company)

STATEMENT OF CASH FLOWS
(Unaudited)
(Stated in U.S. Dollars)

	SIX MONTHS ENDED JUNE 30 2004	PERIOD FROM INCEPTION SEPTEMBER 25 2003 TO JUNE 30 2004
Cash Flows From Operating Activities		
Net loss for the period	$ (333,425)	$ (35,861)
Adjustment To Reconcile Net Loss To Net Cash Used By Operating Activity		
Changes in accounts payable	(16,850)	4,891
	(350,275)	(27,623)
Cash Flows From Financing Activities		
Share capital issued	350,000	16,350
Note payable	200,000	196,653
	550,000	213,003
Increase In Cash	199,725	185,380
Net Cash Acquired On Acquisition of Subsidiary	68	68
Cash, Beginning Of Period	15,405	-
Cash, End Of Period	$ 215,198	$ 185,448

LINCOLN GOLD CORP.
(An Exploration Stage Company)

STATEMENT OF STOCKHOLDERS' DEFICIENCY

JUNE 30, 2004
(Stated in U.S. Dollars)

	COMMON STOCK			DEFICIT ACCUMULATED	
	SHARES	AMOUNT	ADDITIONAL PAID-IN CAPITAL	DURING THE EXPLORATION STAGE	TOTAL
Shares issued for cash at $0.001	850,000	$ 850	$ -	$ -	$ 850
Shares issued for cash at $0.01	1,550,000	1,550	13,950	-	15,500
Net loss for the year	-	-	-	(16,319)	(16,319)
Balance, December 31, 2003	2,400,000	2,400	13,950	(16,319)	31
Adjustment to number of shares issued and outstanding as a result of the acquisition of Lincoln Gold Corp.					
Lincoln Gold Corp.	(2,400,000)	-	-	-	-
Lincoln Gold Corp. (formerly Braden Technologies Inc.)	11,400,000	9,000	(9,000)	-	-
Fair value of shares issued in connection with the acquisition of Lincoln Gold Corp.	24,000,000	24,000	(4,950)	(19,050)	-
Net asset deficiency of legal parent at date of reverse take-over transaction	-	-	-	(102,302)	(102,302)

Share issued for cash at									
$0.50	700,000		700		349,300		-		350,000
Loss for the period	-		-		-		(333,425)		(333,425)
Balance, June 30, 2004	36,100,000	$	36,100	$	349,300	$	(471,096)	$	(85,696)

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LINCOLN GOLD CORP.
(An Exploration Stage Company)

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2004
(Stated in U.S. Dollars)

1. BASIS OF PRESENTATION

The unaudited interim financial statements as of June 30, 2004 included herein have been prepared without audit pursuant to the rules and regulations of the Securities and Exchange Commission. Certain information and footnote disclosures normally included in financial statements prepared in accordance with United States of America generally accepted accounting principles have been condensed or omitted pursuant to such rules and regulations. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. It is suggested that these financial statements be read in conjunction with the December 31, 2003 audited financial statements and notes thereto.

2. ACQUISITION OF LINCOLN GOLD CORP.

Effective March 26, 2004, Braden Technologies Inc. acquired 100% of the issued and outstanding shares of Lincoln Gold Corp. by issuing 24,000,000 common shares. Since the transaction resulted in the former shareholders of Lincoln Gold Corp. owning the majority of the issued shares of Braden Technologies Inc., the transaction, which is referred to as a "reverse take-over", has been treated for accounting purposes as an acquisition by Lincoln Gold Corp. of the net assets and liabilities of Braden Technologies Inc. Under this purchase method of accounting, the results of operations of Braden Technologies Inc. are included in these consolidated financial statements from March 26, 2004.

Braden Technologies Inc. had a net asset deficiency at the acquisition date, therefore, the 24,000,000 common shares issued on acquisition were issued at an ascribed value of $Nil with the net asset deficiency of $102,302 charged to deficit. Lincoln Gold Corp. is deemed to be the purchaser for accounting purposes. Accordingly, its net assets are included in the consolidated balance sheet at their previously recorded amounts.

Effective March 26, 2004, Braden Technologies Inc. changed its name to Lincoln Gold Corp.

The acquisition is summarized as follows:

Current Assets	$	68
Current Liabilities		(102,370)
Net Asset (Deficiency)	$	(102,302)

On April 16, 2004, the Company and its subsidiary merged to form Lincoln Gold Corporation.

LINCOLN GOLD CORP.
(An Exploration Stage Company)

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2004
(Stated in U.S. Dollars)

3. MINERAL PROPERTY INTERESTS

During the quarter ended June 30, 2004, the Company entered into a joint venture agreement under which it can earn up to a 70% interest in the Hercules mineral project. To earn its interest the Company will pay $10,000 (paid) and complete a work program on the property of $75,000 or 3600 feet of drilling by September 18, 2004. The Company is also committed to incur minimum work commitments of $150,000 in each of 2005 and 2006 and $200,000 in 2007.

4. SUBSEQUENT EVENT

Subsequent to June 30, 2004, the Company entered into a mining property lease agreement for a term of 20 years. The Company is committed to pay advance royalties of $30,000 in each of the first two years, $40,000 in the third year, escalating to $80,000 per year plus a cost of living increase in year ten.

The agreement is subject to a Net Smelter Return royalty ranging from 3% to 5%.

ITEM 2. Management's Discussion and Analysis or Plan of Operations

OVERVIEW

Lincoln Gold Corporation, formerly Braden Technologies Inc., (the "Company") is presently engaged in the exploration of mineral properties located in the State of Nevada.

The Company completed the acquisition of Lincoln Gold Corp., a Nevada corporation incorporated on September 25, 2003, effective March 26, 2004. Subsequent to this acquisition, the Company merged with Lincoln Gold Corp. in April 2004 and completed the change of its name from "Braden Technologies Inc." to "Lincoln Gold Corporation" as part of this merger process. The acquisition of Lincoln Gold Corp. was completed by the Company acquiring all of the issued and outstanding shares of Lincoln Gold Corp. from the former shareholders of Lincoln Gold Corp. On closing of the acquisition, the Company issued 24,000,000 shares of its common stock to the shareholders of Lincoln Gold Corp.

PLAN OF OPERATIONS

The Company has varying interests in several mineral properties located in Nevada represented by the following:

A. The Company has an option to earn a 100% interest in a property known as the "Hannah Project". The option is subject to a net smelter royalty in favor of the owner and requires the Company to make cash payments totaling $210,000 over a nine year term.

B. The Company has an option to earn a 100% interest in a property known as the "Lincoln Flat Project". The option is subject to a net smelter royalty in favor of the owner and requires the Company to make cash payments totaling $210,000 over a nine year term.

C. The Company has staked 77 unpatented lode mining claims just east of the Simpson Park mountains within a central portion of the Battle Mountain-Eureka Trend. These claims are known as the JDS Claims.

D. The Company has an option to acquire an undivided 100% right, title and interest in the Basin Claims, subject to a net smelter royalty ("NSR"), for total consideration of cash payments being made over four years totaling $94,200, and the commitment to drill a minimum of six holes on the property by August, 2005.

E. The Company has entered into a joint venture agreement with Miranda Gold Corp. ("Miranda") in respect of the Hercules Property located in Lyon County, Nevada.

F. The Company has entered into a 20 year agreement to lease the Bison project in Buffalo Valley located in Pershing, Lander and Humboldt counties, Nevada.

All of the Company's projects are at the exploration stage and there is no assurance that any of its mining claims contain a commercially viable ore body. The Company plans to undertake further exploration of its properties. The Company anticipates that it will require additional financing in order to pursue exploration of these claims. The Company does not have sufficient financing to undertake full exploration of its mineral claims at present and there is no assurance that the Company will be able to obtain the necessary financing.

The Company's plan of operations for the next twelve months is to continue the exploration and development activities on the Hannah claims, the Lincoln Flat claims, the JDS claims, the Basin claims and the Hercules claims.

1. Hannah Claims

The Company obtained a preliminary geological report on the Hannah claims from Larry McIntosh, one of the owners and optionors of the Hannah claims. A detailed exploration program consisting of a two phase work program is recommended for the Hannah claims. During this quarter an additional 15 new claims have been staked to cover prospective ground. The claims are oriented in an east-west direction and are contiguous with the western and northern boundaries of the existing claim block. The Company now has a total of 23 unpatented lode claims.

The Phase I exploration program consisting of a soil sampling program, rock-chip sampling and mapping program was undertaken. Approximately 30 soil samples and 17 rock-chip samples were taken. These were taken to test for potential anomalies along the west range-front and out onto the pediment to the west.

Limited geologic mapping this summer has identified a west-northwest-trending brittle/ductile shear zone with significant gold coinciding with a distinct, quartz-sericite schist horizon. Disseminated and fracture-controlled oxidized sulfides, quartz, tourmaline, ankerite, and chlorite occur throughout the horizon. Work to date suggests that the zone extends for about 3000 ft and may be 100 to 200 ft in width. The western end of the shear zone is covered by pediment gravel and lacustrine sediments; the eastern end is covered by Tertiary basalt. The existing claim block covers the entire shear zone exposure and projection at this time. Future geologic work is planned to focus on the Hannah Project. This is because Hannah offers a developing geologic target that can reach the drilling stage in the short term.

The total estimated cost of the completion of Phase I is approximately $12,600. Pending results of the above, a modest drilling program consisting of four reverse circulation rotary holes drilled to an approximate depth of 500 feet each is suggested. The initial drilling should primarily be situated so as to test the strength, width and continuity of the main east-west shear. The overall cost of the Phase 1 and Phase II of the recommended program is estimated to be approximately $51,000.

A payment of $5,000 is required in January 2005 under the option agreement for this property. The Company's determination to proceed to Phase II will be based on both the results of Phase I of the exploration program and the Company's ability to finance Phase II of the exploration program. As the Company has staked additional claims at Hannah, the BLM and County filing fees due by September 2, 2004 will cost $4,351.50

2. Lincoln Flat Claims

During this quarter an additional 15 new claims have been staked to cover prospective ground. The Company now has a total of 27 unpatented lode claims.

The Company obtained a preliminary geological report on the Lincoln Flat claims from Larry McIntosh, one of the owners and optionors of the Lincoln Flat claims. The Phase I exploration program consisting of a soil sampling program and a rock-chip sampling program was undertaken. Approximately 44 soil samples and 16 rock-chip samples were taken. This could be helpful in better determining the extent of the mineralization, as well as potentially locating unexposed areas of additional mineralization.

The second target at Lincoln Flat consists of finely-divided to coarse and nuggety gold occurring in brittle/ductile deformation zones cutting intrusive rocks in the eastern portion of the property. An already completed, small pilot soil sampling program in the area indicates that soil sampling could be an effective means of gaining a better knowledge of how the mineralization is distributed there. Approximately 60 samples taken over a 100 X 100 foot spacing and probably in two or more stages is suggested. Some preliminary testing should be done to determine which size fraction yields the best results. The cost of completion of this initial phase, including sampling and mapping work, is estimated to be approximately $13,300.

Following the completion and thorough analysis of this initial phase of work, it is recommended that a modest drilling program consisting of two or three drill holes in each of the target areas be considered for the Lincoln Flat project. It will probably be deemed prudent to add a few additional claims at this point, if drilling and further work still appear warranted. If the initial round of drilling is positive, a ground magnetometer survey over the entire 12 claim group may be further recommended with the objective of guiding further exploration. Any further drilling, geophysical surveys or other work would be contingent upon and based upon results of the Phase I work. The Company would determine the costs associated with Phase II only upon completion of Phase I and the analysis of the results of this initial phase of exploration.

The Company plans to complete the initial phase of the recommended exploration program for an estimated $13,300 over the next twelve months. In addition, a payment of $5,000 is required in January 2005 under the option agreement for this property. The Company's determination to proceed to Phase II will be based on both the results of Phase I of the exploration program and the Company's ability to finance phase II of the exploration program. As the Company has staked additional claims at Hannah, the BLM and County filing fees due by September 2, 2004 will cost $4,993.50.

3. JDS Claims

A three-stage exploration plan is recommended for the JDS property. The first phase of the recommended exploration program involves conducting initial geophysical work over the claim block. The current available gravity data is on a 1000 by 1000 meter grid. Infilling this grid on 500-meter centers would require approximately 30 new readings. Interpretation of this data as well as airborne magnetic data (commercially available) by a qualified geophysicist is recommended to refine the location of structural intersections. The second phase of the recommended exploration program involves a soil gas survey over the entire claim block. A soil gas sniffer is available that produces real time results. Utilizing a GPS unit and a gas sniffer, the property should be grid sampled. Grid spacing should be determined based on field trials. If anomalous readings are present, a 100 by 100 foot grid would be warranted. This data would again be useful in tracing structures and identifying buried mineralization. The third phase of the recommended exploration program would involve drilling test structural and geochemical targets. An initial drill hole could be drilled vertically to verify gravel thickness and bedrock stratigraphy. If bedrock is within reasonable depths (~500ft) and consist of altered lower-plate carbonate rocks, additional drilling would be warranted. Additional drill holes should be angled in order to best test structures. If gold were detected in drill samples, additional geophysical surveys and extensive drilling would be planned.

The Company plans to complete the initial phase of the recommended exploration program for an estimated $20,000 over the next twelve months. The Company's determination to proceed to additional phases of exploration will be based on both the results of the initial phase of the exploration program and the Company's ability to finance additional exploration program.

During July, 45 new "LGC" lode claims were added to the southern boundary of Lincoln's existing 32 unpatented JDS lode claims. The JDS property now consists of 77 claims. The new

LGC claims cover the remaining portion of a gravity high. The new claims are oriented in an east-west direction and share common corners with the JDS claims.

The JDS property consists of 77 claims and lies both south and east of Placer Dome's Red Hill Project area. The property lies in the prolific Cortez or Battle Mountain Eureka gold belt, approximately 10 miles east of the Cortez Joint Venture's ET Blue Project. The JDS claims were staked in alluvial cover over gravity highs. Interpretation of the gravity data suggests that bedrock at the site is relatively shallow. Several prominent structural features are also expressed in the gravity data. The JDS claims are adjacent to the JD window that exposes lower plate carbonate rocks that are favorable hosts for Carlin-type deposits.

As the Company has staked additional claims at JDS the BLM and County filing fees due by September 2, 2004 will cost $14,338.50.

4. Basin Claims

The Company plans to make an application to the US Forest Service for a drill permit. The Company has commenced work on the application to apply for a drill permit so that it can complete its drill program as recommended in the geological report. Completion of this drilling would complete the Company's obligation to drill a minimum of six reverse circulation drill holes on the Basin claims by August 15, 2005. The application for the drill permit will lay out the location of the drill holes and the layout of the roads. The Company will incur administrative costs of approximately $3,000 associated with this filing. The permit application is anticipated to take about six months. By September, 2004 the Company must pay BLM fees in the amount of $1,250 to keep the Basin claims in good standing.

5. Hercules Prospect

The Company entered into a joint venture agreement for the Hercules Prospect (the "Hercules Joint Venture Agreement") dated April 18, 2004 between the Company and Miranda U.S.A. Inc. and Miranda Gold Corp. Under the Hercules Joint Venture Agreement, the Company has the exclusive right to acquire an undivided interest in the Hercules Prospect subject to certain cash payments and exploration expenditures to be made as follows:

a) Upon signing of the agreement, payment in the amount of $10,000;
b) By September 8, 2004 payment in the amount of $14,000 and expenditures in the amount of $75,000, or 3600 feet of reverse circulation drilling;
c) By September 8, 2005 payment in the amount of $16,500 and expenditures in the amount of $150,000;
d) By September 8, 2006 payment in the amount of $26,500 and expenditures in the amount of $150,000;
e) By September 8, 2007 payment in the amount of $39,000; and expenditures in the amount of $200,000 until commencement of commercial production; and
f) By September 8, 2008 and every year thereafter $3,000.

The Company has commenced a drilling program on the Hercules Prospect. The drilling program will be comprised of three or four holes drilled to approximately 900 feet to 1200 feet. The target of the drilling will be mineralized veins at depth. Total drilling will be approximately 3600 feet. The estimated cost of the drilling program is $130,000. Drilling is planned to commence during the first week of August 2004 and should be complete by the end of summer 2004. The Company will evaluate the results of this initial drilling program before proceeding with additional drilling on the Hercules Prospect. If additional drilling is warranted based on the results of the initial drilling program, then the Company anticipates proceeding with a further drilling program by the summer of 2005 at an estimate cost of $150,000. No determination to proceed with further exploration of the Hercules Prospect will be made until the initial drilling program has been completed and the results of this initial drilling program evaluated. The timing and projected cost of any further exploration program on the Hercules Prospect will be dependent upon the recommendations arising from the evaluation of the results of the initial drilling program and the Company's ability to finance this further exploration. There is no assurance that this initial drilling program will yield favourable results. Even if results are favourable and additional exploration is warranted, there is no assurance that a commercially exploitable mineral deposit exists on the Hercules Prospect.

The Company is obligated to pay the BLM and County filing fees due by September 2, 2004 in the amount of $6,741.00.

The Company anticipates that it will incur the following expenses over the next twelve months:

1. $19,100 in connection with exploration activities on the Hannah claims;
2. $19,800 in connection with exploration activities on the Lincoln Flat claims;
3. $20,000 in connection with exploration activities on the JDS claims;
4. $3,000 in connection with exploration activities on the Basin Claims;
5. $130,000 in connection with exploration activities on the Hercules Prospect;
6. $50,000 for operating expenses, including professional legal and accounting expenses associated with our becoming a reporting issuer under the Securities Exchange Act of 1934.

Accordingly, the Company will require a minimum of approximately $241,900 to proceed with its plan of operations over the next twelve months. The Company had cash in the amount of $215,198 and a working capital deficit in the amount of $85,696 as of June 30, 2004. During this quarter the Company completed a private placement financing for gross proceeds of $350,000. The proceeds of this financing will be applied to the Company's exploration programs. The Company anticipates that it will be able to pursue its plan of operations for the next twelve months without additional financing. However, the Company anticipates that it will require additional financing in order to pursue its exploration programs beyond the preliminary exploration programs for its mineral properties that are outlined above, including completing a second phase of drilling on the Hercules prospect. The Company plans to complete private placement sales of its common stock in order to raise the funds necessary to pursue its plan of operations and to fund its working capital deficit. The Company currently does not have any arrangements in place for the completion of any private placement financings and there is no assurance that the Company will be successful in completing any private placement financings.

6. Bison Project

The Bison Project is located in the northern part of the Buffalo Valley in the Battle Mountain District. The project consists of 268 unpatented lode claims covering 5.360 acres. There are two types of gold deposits that occur in the Battle Mountain District; skarn-hosted and distal-disseminated deposits of silver/gold. Each of these types includes several variants, all of which could be present on the property. Several companies have explored for gold on various parts of the property over the last 20 years, including Chevron, Battle Mountain/Santa Fe, Cameco, Uranerz, Hemlo, and Kemess.

In general the northern and eastern parts of the property are underlain by Devonian to Permian siliciclastic, carbonate and metavolcanic rocks. An overlapping assemblage of rocks are made up of conglomerates and sandstones. These can be intruded by felsic stocks and dikes of Jurassic, Cretaceous and Tertiary ages. Sandstone, conglomerate, limestone and dolomite underlie the western half of the Buffalo Valley. This rocks are overlain by alluvium in the middle of the Buffalo Valley. Flows, tuffs and gravels lies unconformably on the older rocks. Much of the Property is covered by valley fill, but altered rocks occur in outcrop and shallow outcrop in various areas of the property.

Lincoln has signed an option to acquire 100% of the property for payments totalling $10,000 the first year and rising to $80,000 by the 10th year plus a sliding scale royalty that can be bought down to 3%. There is no yearly work commitment.

BLM and County fees are due by September 2, 2004 and are estimated to be approximately $43.014.00.

BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

Effective March 26, 2004, the Company acquired 100% of the issued and outstanding shares of Lincoln Gold Corp., a Nevada corporation by issuing 24,000,000 shares of its common stock. Since the transaction resulted in the former shareholders of Lincoln Gold Corp. owning the majority of the issued shares of the Company, the transaction, which is referred to as a "reverse take-over", has been treated for accounting purposes as an acquisition by Lincoln Gold Corp. of the net assets and liabilities of the Company Under this purchase method of accounting, the results of operations of Braden Technologies Inc. are included in these consolidated financial statements from March 26, 2004.

Results of Operations for the three month period ended June 30,2004

The Company is in the exploration stage and has had no revenue from operations. None of the Company's mineral properties have proven to be commercially developable and the Company does not produce or any sell any mineral products.

The Company incurred operating expenses in the amount of $333,425 for the three month period ending June 30, 2004. Operating expenses were comprised primarily of investor relations, professional fees and exploration expenditures. Exploration expenditures in the amount of $38,145 for the three month period ended June 30, 2004 were comprised mainly of filing fees in respect of the JDS claims. The Company anticipates that exploration expenditures will increase in fiscal 2004 as the Company moves ahead with the further exploration of its mineral properties or acquires additional mineral properties. Professional fees in the amount of $25,790 were incurred during the three months ended June 30, 2004. The Company conducted an investor awareness program in the amount of $250,000 during this quarter so that the public was aware of the new projects the Company acquired in the Battle Mountain-Eureka gold trend. The Company anticipates that professional fees will increase due to the costs of compliance by the Company with its reporting obligations under the Securities Exchange Act of 1934.

The Company incurred a loss in the amount of $333,425 for the three month period ending March 31, 2004. The Company's losses were attributable entirely to its operating expenses. The Company anticipates its losses will increase as its operating expenses increase.

Liquidity and Capital Resources

The Company's cash position at June 30, 2004 was $215,198 compared to $185,448 as of March 31, 2004. The Company had a working capital deficit of $85,696 as of June 30, 2004 compared to working capital of $121,813 as of March 31, 2003.

The Company will require a minimum of approximately $231,900 to proceed with its plan of operations over the next twelve months. Subsequent to March 31, 2004, the Company completed a private placement financing to raise proceeds of $350,000. The proceeds of this financing will be applied to the Company's exploration programs. The Company anticipates that is will be able to pursue its plan of operations for the next twelve months without additional financing. However, the Company anticipates that it will require additional financing in order to pursue its exploration programs beyond the preliminary exploration programs for its mineral properties that are outlined above, including completing a second phase of drilling on the Hercules prospect. The Company plans to complete private placement sales of its common stock in order to raise the funds necessary to pursue its plan of operations and to fund its working capital deficit. The Company currently does not have any arrangements in place for the completion of any private placement financings and there is no assurance that the Company will be successful in completing any private placement financings.

The Company arranged for a $200,000 convertible note during the first three months ended March 31, 2004. This convertible note is convertible into shares of the Company's common stock at a price of $0.04 per share. If the convertible note was converted, the Company would be obligated to issue an additional 5,000,000 shares of its common stock. The note accrues interest at the rate of 10% per annum. The principal is repayable on January 28, 2006 and interest is payable annually.

During this quarter the Company completed an equity financing in the amount of $350,000. The Company issued 700,000 common shares at a price of $0.50 per share. The Company will use these funds for general, corporate and administrative purposes as well as the further exploration on several of its Nevada projects.

ITEM 3. CONTROLS AND PROCEDURES.

As required by Rule 13a-15 under the Securities Exchange Act of 1934 (the "Exchange Act"), we carried out an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures as of June 30, 2004, being the date of our most recently completed fiscal quarter. This evaluation was carried out under the supervision and with the participation of our Chief Executive Officer and Chief Financial Officer, Mr. Paul Saxton. Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures are effective in timely alerting management to material information relating to us required to be included in our periodic SEC filings. There have been no significant changes in our internal controls or in other factors that could significantly affect internal controls subsequent to the date we carried out our evaluation.

Disclosure controls and procedures are controls and other procedures that are designed to ensure that information required to be disclosed in our reports filed or submitted under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the Securities and Exchange Commission's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed in our reports filed under the Exchange Act is accumulated and communicated to management, including our Chief Executive Officer and our Chief Financial Officer, to allow timely decisions regarding required disclosure.

During our most recently completed fiscal quarter ended, June 30, 2004 there were no changes in our internal control over financial reporting that have materially affected, or are reasonably likely to affect, our internal control over financial reporting.

The term "internal control over financial reporting" is defined as a process designed by, or under the supervision of, the registrant's principal executive and principal financial officers, or persons performing similar functions, and effected by the registrant's board of directors, management and other personnel, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles and includes those policies and procedures that:

(a) Pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of the registrant;

(b) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the registrant are being made only in accordance with authorizations of management and directors of the registrant; and

(c) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the registrant's assets that could have a material effect on the financial statements.

PART II

Item 1. Legal Proceedings

The Company is not party to any legal proceedings.

Item 2. Changes in Securities

None

Item 3. Defaults Upon Senior Securities

None

Item 4. Submission of Matters to a Vote of Securities Holders

No matters were submitted to the Company's security holders for a vote during the second quarter of its fiscal year ending December 31, 2004.

Item 5. Other Information

None

Item 6. Exhibits and Reports on Form 8K

EXHIBITS AND REPORTS ON FORM 8-K.

(a) Exhibits and Index of Exhibits

Exhibit Number	Description of Exhibit
31.1	Certification of Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (1)
32.1	Certification of Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (1)
10.5	Letter Agreement on Mining Lease Terms for Buffalo Valley Property dated July 9, 2004 (1)

(1) Filed as an Exhibit to this Quarterly Report on Form 10-QSB.

(b) Reports on Form 8-K.

A Form 8-K dated March 15, 2004 was filed by the Company with the SEC on March 16, 2004 in order to disclose that the Company had entered into share purchase agreements for the acquisition by the Company of all the issued and outstanding shares of Lincoln Gold Corp.

A Form 8-K dated March 26, 2004 was filed with the SEC on April 12, 2004 disclosing the completion of the acquisition of Lincoln Gold Corp., a Nevada corporation effective March 26, 2004. The Company filed with the SEC an amendment to the Form 8-K dated March 26, 2004 on May 7, 2004 which included the audited financial statements of Lincoln Gold Corp. along with unaudited pro-forma financial statements showing the effect of the acquisition of Lincoln Gold Corp. by the Company.

SIGNATURES

In accordance with the requirements of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

LINCOLN GOLD CORP.

By: *"Paul Saxton"*
Paul Saxton, President
Chief Executive Officer and Chief Financial Officer
Director
Date: August 4, 2004

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