B2GOLD CORP.
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the quarters ended March 31, 2009 and 2008

(All tabular amounts are expressed in thousands of US dollars except per share and per ounce amounts)

This Management's Discussion and Analysis has been prepared as at May 14, 2009 and contains certain "Forward-Looking Statements" within the meaning of the Canadian Securities laws. All statements, other than statements of historical fact, included herein, including without limitation statements regarding potential mineralization, exploration results and future plans and objectives of B2Gold Corp. (the "Company" or "B2Gold") are forward-looking statements that involve various risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements.

The following discussion of the operating results and financial position of the Company should be read in conjunction with the unaudited interim consolidated financial statements and the notes thereto of the Company for the three months ended March 31, 2009 and the audited consolidated financial statements of the Company and the notes thereto for the year ended December 31, 2008. These consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles and all amounts are expressed in United States dollars, unless otherwise stated.

INCORPORATION AND OVERVIEW

B2Gold was incorporated as a private company under the Business Corporations Act (British Columbia) on November 30, 2006. On December 6, 2007, B2Gold completed its initial public offering of 40 million common shares at a price of Cdn.$2.50 per share for gross proceeds of Cdn.$100 million. On December 6, 2007, B2Gold's common shares were listed for trading on the TSX Venture Exchange. B2Gold was formed by certain former executives of Bema Gold Corporation ("Bema") and essentially commenced operations in March 2007. On October 23, 2008, the Company's common shares were listed and commenced trading on the Toronto Stock Exchange. As a result of this graduation, the Company's common shares were delisted from the TSX Venture Exchange (at the commencement of trading on the Toronto Stock Exchange).

The Company is a mineral exploration company focused on the acquisition, exploration and development of interests in precious metals properties worldwide. The Company's interests in mineral properties that are considered to be material are its interests in the Gramalote, Mocoa and Quebradona properties in Colombia and the East and West Kupol Licenses in Russia. The properties are at various stages of exploration, either with drilling previously completed on the property or with drill ready targets and drilling scheduled to commence or continue in 2009. In addition, on March 26, 2009, B2Gold completed a business combination with Central Sun Mining Inc. ("Central Sun") in which B2Gold acquired all of the outstanding common shares of Central Sun (see "Acquisition of Central Sun Mining Inc." section). As a result of this transaction, B2Gold acquired two Nicaraguan mines (95% owned Limon and 100% owned Orosi) with current production of approximately 43,000 ounces of gold per year from the Limon mine in Nicaragua increasing to an annual rate of approximately 130,000 ounces per year by the end of 2009 as the Orosi mine recommences production as a milling operation rather than a heap leach mine. The Company also acquired Central Sun's interests in additional mineral properties including, in Nicaragua, the 100% owned La India property, in Costa Rica, the 100% owned La Bellavista property, and in Panama, the 60% owned Cerro Quema project.

RESULTS OF OPERATIONS
First Quarter 2009 and 2008:

For the three months ended March 31, 2009, the Company had a net loss of $5.7 million (negative $0.04 per share) compared to a net loss of $8.3 million (negative $0.07 per share) in the equivalent period of 2008. The decrease in net loss of $2.6 million related mainly to a decrease in foreign exchange and stock-based compensation expense.

In the first quarter of 2009, the Company wrote-off resource property costs in the amount of $2.8 million, as it elected not to continue with the Nariño and San Luis properties in Colombia. The Company also recorded a foreign exchange loss of approximately $1.6 million (Q1 2008 - $3.2 million) in the current quarter resulting from the strengthening of the United States dollar relative to the Canadian dollar. The foreign exchange loss was attributable to the Company's cash and short-term money market investments which are being held mostly in Canadian dollars. The foreign exchange loss was approximately $1.6 million lower than in the same period in 2008 due to lower average cash and short-term money market balances. Stock-based compensation expense decreased to $0.2 million from $1.7 million in the same period in 2008, as the fair value of options granted in 2007 and 2008 had mostly been amortized and expensed in previous periods.

In the first quarter of 2008, the Company recorded a loss of $3 million from the write-off of its Puma Option, as it elected not to exercise its option to purchase all or any part of the 17,935,310 common shares of Consolidated Puma Minerals Corp. ("Puma") held by Kinross Gold Corporation ("Kinross").

Summary of Unaudited Quarterly Results:

The following is a summary of the Company's unaudited quarterly results:

	Q1 2009	Q4 2008	Q3 2008	Q2 2008	Q1 2008	Q4 2007	Q3 2007	Q2 2007
	$	$	$	$	$	$	$	$
Loss and comprehensive loss for the period	5,727	14,987	4,547	2,113	8,347	167	3,338	202
Loss per share – basic and diluted	0.04	0.10	0.03	0.01	0.07	0.00	0.08	0.04

ACQUISITION OF CENTRAL SUN MINING INC.

On January 30, 2009, the Company entered into an agreement with Central Sun to effect the acquisition of Central Sun pursuant to a plan of arrangement (the "Arrangement"). On March 26, 2009 ("Acquisition Date"), the Company completed the Arrangement and acquired 100% of the outstanding shares of Central Sun. The purchase has been accounted for as a business acquisition, with B2Gold as the acquirer and Central Sun as the acquiree. The results of operations of Central Sun have been consolidated with those of B2Gold commencing on the Acquisition Date. The primary assets acquired are Central Sun's interests in the Limon Mine (95%) and the Orosi Mine (100%) both located in Nicaragua.

Pursuant to the Arrangement, all of the issued and outstanding common shares of Central Sun were exchanged for common shares of the Company on the basis of a ratio of 1.28 common shares of the Company for each common share of Central Sun. In addition, outstanding stock options to purchase common shares of Central Sun were exchanged for replacement options to purchase an equivalent number of common shares of the Company based on the same exchange ratio and outstanding share purchase warrants of Central Sun were amended to entitle holders to acquire common shares of the Company based on the exchange ratio. All outstanding Central Sun stock options vested upon change of control.

In connection with the Arrangement, the parties entered into a loan agreement on February 6, 2009 providing for a loan by the Company to Central Sun of up to Cdn.$10 million to finance the payment by Central Sun of certain debt obligations and to fund re-commencement of capital improvements to Central Sun's Orosi Mine. On March 6, 2009, the Company and Central Sun agreed to an amendment of the loan agreement providing for the advancement by the Company of an additional $8 million to finance the repayment by Central Sun of an existing $8 million debt obligation. The financing provided by the Company to Central Sun totalling $15.9 million has been included in the total purchase price of Central Sun's assets.

Total consideration paid of $74.2 million included the above mentioned $15.9 million financing, the fair value of 80,638,705 B2Gold shares issued at $0.63 per share (based on the weighted average price of B2Gold shares calculated two days before, the day of, and two days subsequent to the agreement date of January 30, 2009), and 7,988,789 B2Gold replacement options and 18,061,648 share purchase warrants with a fair value of $2.8 million and $3.9 million, respectively, plus B2Gold transaction costs of $0.7 million. The options and share purchase warrants have been valued using the Black-Scholes option pricing model based on a risk-free annual interest rate of approximately 3%, an expected volatility of 86%, an expected average life of 3.62 years for the options and 1.64 years for the warrants and a dividend yield of nil.

The purchase price was calculated as follows:

	$
Common shares issued (80,638,705 B2Gold common shares)	**50,802**
Cash advanced to Central Sun under loan agreements	**15,928**
Fair value of options and warrants issued	**6,747**
Transaction costs	**741**
Total purchase price	**74,218**

The following table sets forth a preliminary allocation of the purchase price to assets and liabilities acquired, based on preliminary estimates of fair values. The Company has not yet determined the fair value of all identifiable assets and liabilities acquired, or the amount of the purchase price that may be allocated to goodwill. The excess of the purchase consideration has been presented as "unallocated purchase price". The Company is currently undergoing a process whereby the fair value of all identifiable assets and liabilities acquired (including assets that will be held for resale or any goodwill arising upon the acquisition) will be determined. Final valuations of resource property interests, amounts held for resale, future income taxes and asset retirement obligations are not yet complete due to the inherent complexity associated with the valuations. This is a preliminary purchase price allocation and therefore subject to adjustment over the course of 2009 on completion of the valuation process and analysis of resulting tax effects. Such adjustments may be material.

	$
Preliminary purchase price allocation:	
Cash and cash equivalents	**1,409**
Accounts receivable	**1,303**
Product inventory	**1,365**
Supplies inventory	**6,440**
Prepaids	**7,436**
Marketable securities	**101**
Other long-term assets	**717**
Accounts payable and accrued liabilities	**(13,271)**
Asset retirement obligations, including current portion	**(7,105)**
Other long-term liabilities	**(1,879)**
Non-controlling interest	**(3,417)**
Unallocated purchase price	**81,119**
	74,218

LIQUIDITY AND CAPITAL RESOURCES

The Company ended the first quarter of 2009 with cash and cash equivalents and highly liquid money market investments with maturities over three months of $4 million and $19 million, respectively, compared to cash and cash equivalents of $13 million and money market investments of $33 million at December 31, 2008. The decrease of the Company's cash equivalents/ short-term money market investments totalling $23 million related primarily to advances to Central Sun which they used to repay an outstanding loan and to advance upgrades for a milling processing plant at Orosi and to resource property expenditures. The Company's working capital at March 31, 2009 was $23 million compared to working capital of $41 million at December 31, 2008.

The majority of the Company's expenditures are incurred in United States dollars. The Company maintains its cash and cash equivalents/ short-term money market investments primarily in Canadian dollars. Based on the balances of its cash and cash equivalents/ short-term money market investments at March 31, 2009, a 1% increase/ (decrease) in the exchange rate of the United States dollar to the Canadian dollar, on that date, would have resulted in a decrease/ (increase) in earnings of approximately $215,000.

The following table presents, as at March 31, 2009, the Company's known contractual obligations, relating to the mill construction at the Orosi Mine and consumable supplies primarily for the Limon Mine. The timing of the Company's asset retirement obligations is also presented below on an undiscounted basis.

	Total	***2009***	***2010***	***2011***	***2012***	***2013 and later***
	$	***$***	***$***	***$***	***$***	***$***
Purchase commitments	15,419	15,374	15	15	15	-
Asset retirement obligations (undiscounted)	11,270	1,654	2,748	1,092	194	5,582

The acquisition by the Company of Central Sun will provide the Company with future operating revenues and cash flow. The Limon Mine (95% owned) is projected to produce 43,000 ounces of gold in 2009 (including 10,141 ounces of gold produced from January 1, 2009 to the acquisition of Central Sun on March 26, 2009 at an operating cash cost of $559 per ounce). The Orosi upgrade to a milling plant (100% owned) is expected to be commissioned in the fourth quarter of 2009. With both the Limon and Orosi mines operating in 2010, B2Gold's annual gold production is projected to be approximately 125,000 to 130,000 ounces at estimated cash costs of approximately $485 per ounce.

The Company is reviewing a variety of proposals received for debt financings ranging from $15 to $20 million, such as a revolving credit facility, that will provide the Company with the required liquidity to complete the upgrades to the Orosi mine and continue with its current planned exploration programs in Colombia, Russia and Nicaragua. In the event that such debt financings are not completed, the Company may manage its liquidity requirements by scaling back or curtailing some of its current exploration plans or seek alternative financing.

Operating activities

For the first quarter of 2009, operating activities, after non-cash working capital changes, required cash of $2.4 million (Q1 2008 - $3.6 million), due primarily to a foreign exchange loss of $1.6 million and to general and administrative costs.

Financing activities

On March 26, 2009, the Company issued (or made available for issue) 80,638,705 common shares in exchange for all of the issued and outstanding shares of Central Sun.

On July 15, 2008, pursuant to the terms of the Gramalote Purchase Agreement, the Company acquired the Additional Interest in Gramalote BVI and completed the $7.5 million payment to Grupo Nus by issuing 5,505,818 common shares of the Company at a price of Cdn.$1.10 per share valued at $6 million (and making a cash payment of $1.5 million).

On May 15, 2008, the Company entered into the Agreement to Amend the Relationship, Farm-Out and Joint Venture Agreement and regarding Gramalote Limited and Other Matters (“Amending Agreement”) between AngloGold Ashanti Limited (“AGA”), Sociedad Kedadha S.A. (a subsidiary of AGA), Compania Kedahda Ltd. (“Kedahda BVI”) (a subsidiary of AGA), Andean Avasca Resources Inc. (“AARI”) (100% owned by B2Gold) and the Company. Pursuant to the terms of the Amending Agreement, the parties agreed to terminate AGA’s right to acquire 20% of the voting shares of Andean Avasca Resources Inc. (“AARI”) (100% owned by B2Gold), terminate the Company’s obligation with respect to the listing of AARI’s shares, amend certain Colombian joint venture arrangements to which subsidiaries of the Company and AGA are parties and acquire additional interests in mineral properties in Colombia. AARI indirectly has the right to earn a material interest in a number of properties in Colombia, including the Quebradona property, pursuant to the terms of a joint venture agreement with AGA. On May 15, 2008, pursuant to the Amending Agreement, the Company issued to AGA units comprised of an aggregate of 25,000,000 common shares and 21,400,000 share purchase warrants. The warrants, which are exercisable at any time prior to May 15, 2011, consisted of 11,000,000 warrants exercisable at a price of Cdn.$3.34 per share and 10,400,000 warrants exercisable at a price of Cdn.$4.25 per share.

The above share issuances did not result in any additional cash to the Company.

Investing activities

In the first quarter of 2009, the Company redeemed approximately $14 million of funds invested in highly liquid money market investments in order to fund the acquisition of Central Sun and its operations.

In February 2008, the Company repaid approximately $2.6 million of the amounts owing under its promissory notes to Kinross. In February 2009, the Company made a final payment of $2.6 million and accordingly has no further obligation with respect to the promissory notes issued on February 26, 2007 to Kinross.

During the first quarter of 2009, the Company incurred resource property expenditures for exploration and development in the amount of $3.4 million (on a cash basis) which was expended as follows: $1.3 million on the Gramalote property, $1.3 million on Colombian properties under the joint venture arrangement with AGA (including approximately $0.6 million on Quebradona), $0.3 million on Mocoa, and $0.5 million (the Company’s 50% share) on the East and West Kupol Licenses.

At Gramalote the Company has carried out surface exploration work at several outlying targets including Monjas, Limon, Cristales and Topacio. No drilling was completed in 2009 as a follow up to the 30,189.26 metres (“m”) diamond drilling program completed in 2008. In the first quarter of 2009, the Company completed and published a National Instrument 43-101 compliant inferred mineral resource estimate for the Gramalote Ridge Zone of 74.375 million tonnes grading 1.00 g/t Au for a total of 2.39 million troy ounces of gold at a 0.5 g/t cut-off and within a $1,000 per ounce gold optimised Whittle pit. In addition the company plans to complete an internal scoping study on Gramalote by mid 2009.

At the Quebradona Property the Company continues with minor social and environmental programs. No field work, including drilling, has been completed in 2009. Drilling of 7,280 metres in 2008 successfully outlined significant gold mineralization over 800 by 700 m area in the La Aurora target with results up to 380 m at 1.09 g/t Au in hole 24 and 182.4 m @ 1.08 g/t Au in hole 8. The Company plans to complete an internal resource estimate in La Aurora target of Quebradona in the first half of 2009.

At the 100% owned Mocoa copper molybdenum deposit the Company has not carried out exploration work in 2009 and no further exploration work is planned in 2009. Drilling of 5,123 m in 2008 was successful to confirm previous drilling and expand copper-molybdenum mineralization to the north. Previous diamond drilling at the Mocoa property consisted of 18,321 m in 31 holes conducted by the United Nations and Ingeominas in the late 1970's to early 1980's and resulted in the delineation of a non-National Instrument 43-101 compliant historical resource of 306 million tonnes at 0.37% Cu and 0.061% Mo.

On March 3, 2009, a letter of intent was signed with Colombia Mines Corporation on their Yarumalito gold porphyry property in Colombia. The Company can earn an 80% interest by advancing the property through to feasibility by March 31, 2014 and assuming the following underlying third party option payments (these payments are at the Company's discretion): $200,000 on October 15, 2009, $300,000 on March 28, 2010, $500,000 on August 28, 2010, and $330,000 on February 28, 2011.

In Russia, drilling has commenced at Kupol East and West, in the Moroshka basin, which the Company considers to be one of the most prospective targets on the property.

CRITICAL ACCOUNTING ESTIMATES

The Company's accounting policies are described in Notes 2 and 3 of its audited consolidated financial statements as at December 31, 2008. Management considers the following policies to be the most critical in understanding the judgments that are involved in the preparation of the Company's consolidated financial statements and the uncertainties that could impact its results of operations, financial condition and cash flows:

- Measurement uncertainty;
- Use of estimates;
- Resource properties;
- Future income taxes;
- Asset retirement obligations;
- Stock-based compensation; and
- Financial instruments.

Measurement uncertainty

As at December 31, 2008, management of the Company had determined that impairment indicators existed, and completed an impairment assessment for each of its mineral property interests and its Gramalote investment. The economic environment existing at that date, the significant declines in commodity prices and the decline in the Company's stock price were considered as impairment indicators. The impairment assessments included a determination of fair value for each mineral property using various valuation techniques including changes in the Company's share price, in-situ values, comparable company analysis, commodity price changes and recent expenditures analysis.

Management's impairment evaluation did not result in the identification of an impairment of the Company's mineral property interests as of December 31, 2008. For its Gramalote investment assessment, management determined that no other than temporary impairment had occurred, and that no write down was required. As at March 31, 2009, management determined that there were no events or circumstances which indicated impairment, other than the decision not to continue with the Nariño and San Luis properties which were consequently written-off in the quarter. Although management believes the estimates applied in these impairment assessments are reasonable, such estimates are subject to significant uncertainties and judgments. If long-term estimates of commodity prices, in-situ values or share prices were to change significantly, impairment charges may be required in future periods and such charges could be material.

Use of estimates

The preparation of these consolidated financial statements in conformity with generally accepted accounting principles in Canada requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures 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.

Resource properties

Mineral acquisition, exploration and development costs are capitalized on an individual project basis until such time as the economics of an ore body are defined. If production commences, these costs would be amortized on a units of production basis over the estimated mineral reserves. Unrecoverable costs for projects determined not to be commercially feasible are expensed in the year in which the determination is made or when the carrying value of the project is determined to be impaired.

The Company reviews and evaluates the carrying value of resource property interests when events and circumstances suggest impairment. Where information is available and conditions suggest impairment, estimated future net cash flows are calculated using estimated future prices, proven and probable reserves, resources and operating and capital costs on an undiscounted basis. An impairment charge is recorded if the undiscounted future net cash flows are less than the carrying amount. Reductions in the carrying value, with a corresponding charge to operations, are recorded to the extent that the estimated future net cash flows on a discounted basis are less than the property interest carrying value.

Where estimates of future net cash flows are not available and where other conditions suggest impairment, management assesses whether the carrying value can be recovered. If an impairment is identified, the carrying value of the property interest is written down to its estimated fair value.

Although the Company has taken steps to verify title to mineral properties in which it has an interest, according to industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company’s title. Such properties may be subject to prior undetected agreements or transfers and title may be affected by such defects.

Asset retirement obligations

The Company’s mining and exploration activities are subject to various laws and regulations governing the protection of the environment. Significant judgments and estimates are made when estimating the nature and costs associated with asset retirement obligations. Cash outflows relating to the obligations are incurred over periods estimated to extend to 2018 and beyond. When considering the effect of the extended time period over which costs are expected to be incurred, combined with the estimated discount rate and inflation factors, the fair value of the asset retirement obligations could materially change from period to period due to changes in the underlying assumptions.

Future income taxes

The Company uses the liability method of accounting for future income taxes. Under this method of tax allocation, future income tax assets and liabilities are recognized for temporary differences between the tax and accounting bases of assets and liabilities as well as for the benefit of losses available to be carried forward to future years for tax purposes. Future income tax assets and liabilities are measured using enacted or substantively enacted tax rates expected to apply when the asset is realized or the liability is settled. The amount of future income tax assets recognized is limited to the amount that is more likely than not to be realized. The effect on future tax assets and liabilities of a change in tax rates is recognized in earnings in the period in which the change is substantively enacted.

Stock-based compensation

All stock option based awards made to directors, employees and consultants are recognized in these consolidated financial statements and measured using a fair value based method. Consideration received on the exercise of stock options is recorded as share capital. The related contributed surplus originally recognized when the options were earned, is transferred to share capital.

Financial instruments

Effective November 30, 2006, the Company adopted "Financial Instruments – Recognition and Measurement" (CICA Handbook Section 3855). This standard sets out criteria for the recognition and measurement of financial instruments for fiscal years beginning on or after October 1, 2006. This standard requires all financial instruments within its scope, including derivatives, to be included on a company's balance sheet and measured either at fair value or, in certain circumstances, at cost or amortized cost. Changes in fair value are to be recognized in the statements of operations or other comprehensive income. All financial assets and liabilities are recognized when the entity becomes a party to the contract.

All financial instruments are classified into one of the following five categories: held for trading, held-to-maturity, loans and receivables, available-for-sale financial assets, or other financial liabilities. Initial and subsequent measurement and recognition of changes in the value of financial instruments depend on their initial classification:

- Held-to-maturity investments, loans and receivables, and other financial liabilities are initially measured at fair value and subsequently measured at amortized cost.
- Available-for-sale financial assets are measured at fair value. Revaluation gains and losses are included in other comprehensive income until the asset is removed from the balance sheet.
- Held-for-trading financial instruments are measured at fair value. All gains and losses are included in net earnings/ loss in the period in which they arise.
- All derivative financial instruments are classified as held-for-trading financial instruments and are measured at fair value. All gains and losses are included in net earnings/ loss in the period in which they arise.

CHANGES IN ACCOUNTING POLICIES AND NEW ACCOUNTING PRONOUNCEMENTS

The Company has adopted the following additional policies in 2009, in conjunction with the acquisition of Central Sun:

Inventories

Gold inventories are valued at the lower of average production cost or net realizable value. In-process inventories are valued at the lower of moving average cost or net realizable value. Materials and supplies inventories are valued at the lower of average cost or current replacement cost.

Resource property interests

Mine property, plant and equipment are recorded at cost. Repairs and maintenance expenditures are charged to operations; major improvements and replacements which extend the useful life of an asset are capitalized. Mine property, plant and machinery are amortized over the life of the mine using the unit-of-production method. Mining equipment is depreciated on a straight-line basis, net of residual value, over the shorter of the mine life or estimated useful life of the asset. Care and maintenance costs are charged to operations.

Revenue recognition

Revenue is recorded at estimated net realizable value when title has passed. Adjustments to these amounts are made after final prices, weights and assays are established. Silver revenues are recorded as a cost recovery credit.

Goodwill

Acquisitions are accounted for using the purchase method whereby acquired identifiable assets and liabilities are recorded at fair value at the date of acquisition. The excess of the purchase price over such fair value is recorded as goodwill and is not amortized. Goodwill is assessed for impairment at least annually and at such times as events or circumstances indicate that an impairment may have occurred.

New accounting policies implemented effective January 1, 2009

The adoption of the new following accounting policies in 2009 had no impact on the Company's consolidated financial statements.

Goodwill and Intangible Assets (Section 3064)

This section was issued in February 2008 and replaced CICA 3062, "Goodwill and Other Intangible Assets," and Section 3450, "Research and Development Costs". This new standard provides guidance on the recognition, measurement, presentation and disclosure of goodwill and intangible assets.

Credit Risk and Fair Value of Financial Assets and Liabilities (EIC 173)

In January 2009, the CICA issued Emerging Issues Committee ("EIC") Abstract 173, "Credit Risk and the Fair Value of Financial Assets and Financial Liabilities." The EIC provides guidance on evaluating credit risk of an entity and counterparty when determining the fair value of financial assets and financial liabilities, including derivative instruments.

Mining Exploration Costs (EIC 174)

In March 2009, the CICA issued EIC-174, "Mining Exploration Costs." The EIC provides guidance on the accounting and the impairment review of exploration costs. This standard is effective for the fiscal year beginning January 1, 2009.

Accounting policies to be implemented

Goodwill and Intangible Assets (Section 3064)

This section was issued in February 2008 and replaced CICA 3062, "Goodwill and Intangible Assets," and Section 3450, "Research and Development". This new standard provides guidance on the recognition, measurement, presentation and disclosure of goodwill and intangible assets. This section is effective as of January 1, 2009. The Company is currently evaluating the effects of adopting this standard.

Business Combinations (Section 1582), Consolidations (Section 1601) and Non-controlling Interests (Section 1602)

These sections were issued in January 2009 and are harmonized with International Financial Reporting Standards. Section 1582 specifies a number of changes, including: an expanded definition of a business combination, a requirement to measure all business acquisition at fair value, a requirement to measure non-controlling interests at fair value, and a requirement to recognize acquisition-related costs as expenses. Section 1601 establishes the standards for preparing consolidated financial statements. Section 1602 specifies that non-controlling interests be treated as a separate component of equity, not as a liability or other item outside of equity. These new standards are effective for 2011.

International Financial Reporting Standards ("IFRS)

In February 2008, the Canadian Accounting Standards Board announced 2011 as the changeover date for publicly-listed companies to use IFRS, replacing Canada's own generally accepted accounting principles. The specific implementation is set for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. The transition date of January 1, 2011 will require restatement for comparative purposes of amounts reported by the Company for the year ended December 31, 2010. While the Company has begun assessing the adoption of IFRS, the financial reporting impact of the transition to IFRS cannot be reasonably estimated at this time.

RISKS AND UNCERTAINTIES

The exploration and development of natural resources are highly speculative in nature and are subject to significant risks. The risk factors noted below do not necessarily comprise all those faced by the Company. The Company is faced with a number of other risk factors as described under "Risk Factors", disclosed in its Annual Information Form, available under the Company's profile on SEDAR at www.sedar.com. Additional risks and uncertainties not presently known to the Company or that the Company currently considers immaterial may also impair the business, operations and future prospects of the Company. If any of the following risks actually occur, the business of the Company may be harmed and its financial condition and results of operations may suffer significantly.

Exploration and Mining Risks

The business of exploring for minerals and mining involves a high degree of risk. Only a small proportion of the properties that are explored are ultimately developed into producing mines. At present, none of the properties in which the Company has an interest have proven or probable reserves or measured, indicated or inferred resources and the proposed programs are an exploratory search for reserves and resources. The mining areas presently being assessed by the Company may not contain economically recoverable volumes of minerals or metals. Should economically recoverable volumes of minerals or metal be found, substantial expenditures are required to establish reserves through drilling, to develop metallurgical processes and to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities or having sufficient grade to justify commercial operations or that funds required for development can be obtained on a timely basis.

The economics of developing gold and other mineral properties are affected by many factors including the cost of operations, variations of the grade of ore mined, fluctuations in the price of gold or other minerals produced, costs of processing equipment and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals and environmental protection. In addition, the grade of mineralization ultimately mined may differ from that indicated by drilling results and such differences could be material. Depending on the price of gold or other minerals produced, which have fluctuated widely in the past, the Company may determine that it is impractical to commence or continue commercial production.

Foreign Countries and Laws and Regulations

The Company has interests in properties that are located in developing countries, including Russia and Colombia, and the mineral exploration and mining activities of the Company may be affected in varying degrees by political instability and government regulations relating to foreign investment and the mining industry. Any changes in regulations or shifts in political conditions or attitudes are beyond the control of the Company and may adversely affect its business. Operations may be affected in varying degrees by government regulations with respect to restrictions on production, price controls, export controls, income taxes, expropriation of property, environmental legislation and mine safety.

Restriction on Foreign Investment and Capital Raising in Russia

On May 5, 2008, the Russian Parliament adopted new legislation that requires prior approval for the development by a foreign investor of any subsoil deposit containing gold reserves of 50 tons or more or for the direct or indirect acquisition by a foreign investor of more than 10% of the voting shares (or other means of control) of a Russian company that uses such a subsoil deposit. The legislation could have a significant impact upon the Company's ability to further develop the East and West Kupol Licenses through its participation in the proposed Kupol joint venture. It is possible that this legislation may cause the Company, Kinross and CUE to make changes to the structure and terms of the proposed Kupol joint venture in order to comply with the legislation or receive approval under it. Such changes may be material and there can be no assurance that the Kupol joint venture will proceed as proposed. In addition, if the Kupol joint venture proceeds and "Kupol Opco", the Russian operating company that will hold the East and West Kupol licenses and related exploration assets, were to identify and seek to develop a deposit containing gold reserves of 50 tons or more, approval of the Russian regulatory body would be required for development of that deposit. There can be no assurance that such approval would be granted on acceptable terms or at all and the new legislation provides that if the approval is not granted, the compensation payable to Kupol Opco would be limited to the expenses incurred in the course of exploration.

Property Interests

The ability of the Company to carry out successful mineral exploration and development activities and mining operations will depend on a number of factors. The section of this Management Discussion & Analysis entitled "Liquidity and Capital Resources – Investing activities" identifies the Company's obligations with respect to acquiring and maintaining title to the Company's interest in certain of its current properties. No guarantee can be given that the Company will be in a position to comply with all such obligations, or to require third parties to comply with their obligations with respect to such properties. Furthermore, while it is common practice that permits and licenses may be renewed, extended or transferred into other forms of licenses appropriate for ongoing operations, no guarantee can be given that a renewal, extension or a transfer will be granted to the Company or, if they are granted, that the Company will be in a position to comply with all conditions that are imposed.

A number of the Company's interests in Colombia are the subject of pending applications with the applicable mining registry to register assignments, extend the term, increase the area or to convert licenses to concession contracts and there is no assurance that such applications will be approved as submitted. In addition, a number of the Company's interests in Colombia are the subject of contractual promises to assign, pursuant to which a third party has agreed to assign to the Company, or to an entity in which the Company holds its interest in the applicable property, certain licenses and/or concession contracts upon the issuance of such licenses or concession contracts by the mining registry to the promising party. The failure of a promising party to comply with its contractual obligation could have a material adverse impact on the Company's interests in the license or concession contract.

There can be no assurances that the interest in the Company's properties is free from defects or that the material contracts between the Company and the entities owned or controlled by foreign government will not be unilaterally altered or revoked. There is no assurance that such rights and title interests will not be revoked or significantly altered to the detriment of the Company. There can be no assurances that the Company's rights and title interests will not be challenged or impugned by third parties. The Company's interests in properties may be subject to prior unregistered agreements or transfers and title may be affected by undetected defects or governmental actions.

Commodity Prices

The profitability of the Company's operations, if established, will be dependent upon the market price of mineral commodities. Mineral prices fluctuate widely and are affected by numerous factors beyond the control of the Company. The level of interest rates, the rate of inflation, world supply of mineral commodities, consumption patterns, sales of gold by central banks, forward sales by producers, production, industrial and jewellery demand, speculative activities and stability of exchange rates can all cause significant fluctuations in prices. Such external economic factors are in turn influenced by changes in international investment patterns, monetary systems and political developments. The prices of mineral commodities have fluctuated widely in recent years. Current and future price declines could cause commercial production to be impracticable.

The Company's revenues and earnings also could be affected by the prices of other commodities such as fuel and other consumable items, although to a lesser extent than by the price of gold. The prices of these commodities are affected by numerous factors beyond the Company's control.

Currency Risks

The Company's operations in foreign countries are subject to currency fluctuations and such fluctuations may materially affect the Company's financial position and results. The Company reports its financial results in U.S. dollars and incurs expenses in U.S. dollars, Canadian dollars, Colombian pesos and Russian rubles. As the exchange rates between the Colombian peso, Russian ruble and Canadian dollar fluctuate against the U.S. dollar, the Company will experience foreign exchange gains and losses.

Environmental Compliance

The Company's operations are subject to local laws and regulations regarding environmental matters, the abstraction of water, and the discharge of mining wastes and materials. Any changes in these laws could affect the Company's operations and economics. Environmental laws and regulations change frequently, and the implementation of new, or the modification of existing, laws or regulations could harm the Company. The Company cannot predict how agencies or courts in foreign countries will interpret existing laws and regulations or the effect that these adoptions and interpretations may have on the Company's business or financial condition.

The Company may be required to make significant expenditures to comply with governmental laws and regulations. Any significant mining operations will have some environmental impact, including land and habitat impact, arising from the use of land for mining and related activities, and certain impact on water resources near the project sites, resulting from water use, rock disposal and drainage run-off. No assurances can be given that such environmental issues will not have a material adverse effect on the Company's operations in the future. While the Company believes it does not currently have any material environmental obligations, exploration activities may give rise in the future to significant liabilities on the Company's part to the government and third parties and may require the Company to incur substantial costs of remediation. Additionally, the Company does not maintain insurance against environmental risks. As a result, any claims against the Company may result in liabilities the Company will not be able to afford, resulting in the failure of the Company's business. Failure to comply with applicable laws, regulations, and permitting requirements may result in enforcement actions there-under, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in exploration operations may be required to compensate those suffering loss or damage by reason of the exploration activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations and, in particular, environmental laws.

Amendments to current laws, regulations and permits governing operations and activities of exploration companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in expenditures and costs or require abandonment or delays in developing new mining properties.

INTERNAL CONTROLS

Disclosure controls and procedures are designed to provide reasonable assurance that all relevant information is gathered and reported to management, including the CEO and CFO, on a timely basis so that appropriate decisions can be made regarding public disclosure. Management, with the participation of the certifying officers, has evaluated the effectiveness of the design and operation, as of March 31, 2009, of the Company's disclosure controls and procedures (as defined by the Canadian Securities Administrators). Based on that evaluation, the certifying officers have concluded that such disclosure controls and procedures are effective and designed to ensure that material information relating to the Company and its subsidiaries is known to them by others within those entities.

Internal controls over financial reporting are designed to provide reasonable assurance regarding the reliability of financial reporting and compliance with Canadian generally accepted accounting principles in the financial statements. Management has evaluated the design of internal controls over financial reporting and has concluded that such internal controls over financial reporting are designed 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 in Canada. In addition, there have been no changes in the Company's internal control over financial reporting during the period ended March 31, 2009 that have materially affected, or are reasonably likely to materially affect, its internal control over financial reporting.

OUTLOOK

For 2009 the Limon Mine is projected to produce approximately 43,000 ounces of gold at an estimated cash cost of approximately $550 per ounce. The Limon Mine is 100% un-hedged and debt free.

B2Gold owns a 100% interest in the Orosi open pit gold mine, which commenced operating as a heap leach mine in 1996. Operations were suspended in the first quarter of 2007 after a re-evaluation of the project indicated that gold recoveries could be improved from approximately 40% from heap leaching to over 90% using a conventional milling operation. All equipment, with the exception of the second ball mill is on site and the mill installation project and tailing pond construction project are well underway and expected to be completed in the fourth quarter of 2009. Commissioning of the process plant is expected to commence late in 2009 and, once in commercial production, the Orosi Mine will have an initial 8 year mine life and is expected to produce approximately 80,000 to 90,000 ounces of gold annually at an estimated cash cost of approximately $450 per ounce. The Orosi Mine has excellent exploration targets which could increase the reserves, resources and the mine life.

With both the Limon and Orosi mines operating in 2010, B2Gold's annual gold production is projected to be approximately 125,000 to 130,000 ounces at estimated cash costs of approximately $485 per ounce.

In 2009, B2Gold intends to initiate exploration programs on both the Limon and Orosi mine properties as well as the Mestiza property also located in Nicaragua. Large sections of both the Limon and Orosi mine concessions have not been explored in recent years and B2Gold's exploration team has identified several targets at both mines that the Company believes have significant potential to increase mineral resources.

In Colombia, the Company will continue to evaluate prospective mineral properties within and outside the area of interest of the AGA - B2Gold joint venture. At the Gramalote property, B2Gold will continue to evaluate additional targets, complete a scoping study and evaluate the extensions to the Gramalote Ridge deposit and the Trinidad zone. The Company also intends to complete a resource study at the Quebradona property.

Throughout 2009 and beyond, management intends to continue to build B2Gold into an intermediate gold producer through the exploration and development of existing projects and the acquisition of additional development projects and producing mines that are accretive to the value of B2Gold shares.

OUTSTANDING SHARE DATA

At May 14, 2009 there were 243,422,023 common shares outstanding. In addition, there were 13.3 million stock options outstanding with exercise prices ranging between Cdn.$0.11 to Cdn.$3.94 per share and 41.5 million share purchase warrants with exercise prices ranging between Cdn.$0.14 to Cdn.$4.25 per share. More information on these instruments is disclosed in Note 6 of the Company's March 31, 2009 unaudited interim consolidated financial statements.

CAUTION ON FORWARD-LOOKING INFORMATION

This management's discussion and analysis includes forward-looking statements, such as estimates and statements that describe the Company's future plans, objectives or goals, including words to the effect that the Company or management expects a stated condition or result to occur. Since forward-looking statements address future events and conditions, by their very nature, they involve inherent risks and uncertainties. Actual results in each case could differ materially from those currently anticipated in such statements.