Bullfrog Gold Corp.
Form 10-Q
October 24, 2016

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)
[X] QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For quarterly period ended **September 30, 2016**

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from ___________ to ___________

Commission File Number **333-164908**

BULLFROG GOLD CORP.

(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation or organization)	**41-2252162** (I.R.S. Employer Identification No.)
897 Quail Run Drive **Grand Junction, Colorado** (Address of principal executive offices)	**81505** (Zip Code)

(970) 628-1670

(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 Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes [X] No [ ]

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, 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 [X] No [ ]

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act.

Large accelerated filer	[ ]	Accelerated filer	[ ]
Non-accelerated filer (Do not check if a smaller reporting company)	[ ]	Smaller reporting company	[X]

Indicate by check mark whether the registrant is a shell company (as defined in 12b-2 of the Exchange Act.) Yes [ ] No [X]

Indicate the number of shares outstanding of each of the issuer s classes of common stock, as of the latest practicable date: 90,232,096 shares of common stock, par value $0.0001, were issued and outstanding as of October 14, 2016.

BULLFROG GOLD CORP.

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PART I. FINANCIAL INFORMATION

Item 1. Consolidated Financial Statements

BULLFROG GOLD CORP.

CONSOLIDATED BALANCE SHEETS

SEPTEMBER 30, 2016 AND DECEMBER 31, 2015

(unaudited)

Assets	9/30/16	12/31/15
Current assets		
Cash	$3,352	$1,024
Deposits	10,682	10,682
Total current assets	14,034	11,706
Other assets		
Mineral properties	130,425	270,425
Deferred financing fees	0	3,666
Total other assets	130,425	274,091
Total assets	$144,459	$285,797
Liabilities and Stockholders' Equity (Deficit)		
Current liabilities		
Accounts payable	$16,172	$23,488
Related party payable	313,055	487,767
Note payable	0	2,949,063
Accrued interest	0	45,840
Other liabilities	113	25,331
Total current liabilities	329,340	3,531,489
Total liabilities	329,340	3,531,489
Stockholders' equity (deficit)		
Preferred stock Series A, 5,000,000 shares authorized, $.0001 par value;	0	0

zero issued and outstanding as of 9/30/16 and 12/31/15		
Preferred stock Series B, 45,000,000 shares authorized, $.0001 par value;		
29,562,500 and 400,000 issued and outstanding as of 9/30/16 and		
12/31/15, respectively	2,956	40
Common stock, 200,000,000 shares authorized, $ .0001 par value;		
89,932,096 and 52,774,892 shares issued and outstanding as of 9/30/16		
and 12/31/15, respectively	8,993	5,277
Additional paid in capital	7,703,268	6,449,275
Accumulated deficit	(7,900,098)	(9,700,284)
Total stockholders' equity (deficit)	(184,881)	(3,245,692)
Total liabilities and stockholders' equity (deficit)	$144,459	$285,797

See accompanying notes to consolidated financial statements

BULLFROG GOLD CORP.

CONSOLIDATED STATEMENTS OF OPERATIONS

FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2016 AND 2015

(unaudited)

	Three Months Ended		Nine Months Ended	
	9/30/16	9/30/15	9/30/16	9/30/15
Revenue	$0	$0	$0	$0
Operating expenses				
General and administrative	311,991	92,932	403,084	332,186
Exploration costs	0	29,338	0	29,338
Total operating expenses	311,991	122,270	403,084	361,524
Net operating loss	(311,991)	(122,270)	(403,084)	(361,524)
Gain on extinguishment of debt	0	0	2,523,813	0
Loss on asset abandonment	0	0	(164,850)	0
Interest expense	(8,066)	(70,270)	(155,693)	(207,336)
Revaluation of warrant liability	0	6	0	20
Net income (loss)	$(320,057)	$(192,534)	$1,800,186	$(568,840)
Weighted average common shares outstanding - basic	88,843,207	50,189,624	78,661,666	47,243,863
Weighted average common shares outstanding - diluted	88,843,207	50,189,624	88,506,110	47,243,863
Income (loss) per common share - basic	$(0.00)	$(0.00)	$0.02	$(0.01)
Income (loss) per common share - diluted	$(0.00)	$(0.00)	$0.02	$(0.01)

See accompanying notes to consolidated financial statements

BULLFROG GOLD CORP.

CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2016 AND 2015

(unaudited)

	Nine Months Ended	
	9/30/16	9/30/15
Cash flows from operating activities		
Net income (loss)	$1,800,186	$(568,840)
Adjustments to reconcile net income (loss) to net cash used in operating activities		
Gain on extinguishment of debt	(2,523,813)	0
Interest capitalized to note payable	114,751	142,897
Revaluation of warrant liability	0	(20)
Loss on asset abandonment	164,850	0
Stock-based compensation - options	0	78,045
Stock issued for services	237,000	0
Amortization of deferred financing fees	3,666	8,250
Change in operating assets and liabilities:		
Accounts payable	(7,316)	(1,593)
Related party payable	173,624	214,070
Accrued interest	12,598	20,628
Other liabilities	(25,218)	21,247
Net cash used in operating activities	(49,672)	(85,316)
Cash flows from investing activity		
Acquisition of mineral properties	(10,000)	0
Cash flows from financing activities		
Proceeds from private placement of common stock	312,000	89,341
Payoff of note payable	(250,000)	0
Net cash provided by financing activities	62,000	89,341
Net increase in cash	2,328	4,025
Cash, beginning of period	1,024	790
Cash, end of period	$3,352	$4,815

Supplemental disclosure of cash flow information		
Non-cash investing and financing activities		
Stock issued for debt conversion - related party	$278,438	$0
Stock issued for lease payment	$14,850	$4,000
Stock issued to payoff note payable	$70,000	$0
Stock issued to payoff related party payable	$348,336	$0

See accompanying notes to consolidated financial statements

BULLFROG GOLD CORP.

Notes to Consolidated Financial Statements

(unaudited)

NOTE 1 - NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Business

Bullfrog Gold Corp. (the Company) is a junior exploration company engaged in the acquisition and exploration of properties that may contain gold, silver and other metals in the United States. The Company s target properties are those that have been the subject of historical exploration. The Company owns, controls or has acquired mineral rights on Federal patented and unpatented mining claims in the state of Nevada for the purpose of exploration and potential development of gold, silver and other metals on a total of approximately 2,200 acres. The Company plans to review opportunities and acquire additional mineral properties with current or historic precious and base metal mineralization with meaningful exploration potential.

The Company s properties do not have any proven reserves. The Company plans to conduct exploration programs on these properties with the objective of ascertaining whether any of its properties contain economic concentrations of precious and base metals that are prospective for mining.

Basis of Presentation

The consolidated unaudited financial statements included in this Form 10-Q have been prepared in accordance with generally accepted accounting principles in the United States of America for interim financial information and with the instructions to Form 10-Q. Accordingly, these financial statements do not include all of the disclosures required by U.S. generally accepted accounting principles for complete financial statements. These consolidated unaudited interim financial statements should be read in conjunction with the audited financial statements for the fiscal year ended December 31, 2015 in our Annual Report on Form 10-K. The financial information furnished herein reflects all adjustments consisting of normal, recurring adjustments which, in the opinion of management, are necessary for a fair presentation of our financial position, the results of operations and cash flows for the periods presented. Operating results for the three and nine months ended September 30, 2016 are not necessarily indicative of results for future quarters or periods in the fiscal year ending December 31, 2016.

Principles of Consolidation

The consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries, Standard Gold Corp. (Standard Gold) a Nevada corporation and Rocky Mountain Minerals Corp. (RMM) a Nevada corporation. All significant inter-entity balances and transactions have been eliminated in consolidation.

Going Concern and Management s Plans

The Company has incurred losses from operations since inception and has an accumulated deficit of approximately $7,900,098 as of September 30, 2016. The Company s financial statements have been prepared on the basis that it is a going concern, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The Company s continuation as a going concern is dependent upon attaining profitable operations through achieving revenue growth.

The Company has no operating revenues and does not expect to in 2016. Should we be unable to continue as a going concern, we may be unable to realize the carrying value of our assets and to meet our obligations as they become due. To continue as a going concern, we are dependent on continued fund raising. However, we have no commitment from any party to provide additional capital and there is no assurance that such funding will be available when needed, or if available, that its terms will be favorable or acceptable to us.

Cash and Cash Equivalents and Concentration

The Company considers all highly liquid investments with a maturity of three months or less when acquired to be cash equivalents. The Company places its cash with a high credit quality financial institution. The Company s account at this institution is insured by the Federal Deposit Insurance Corporation up to $250,000. At September 30, 2016, the Company s cash balance was approximately $3,000. To reduce its risk associated with the failure of such financial institution, the Company will evaluate at least annually the rating of the financial institution in which it holds deposits.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Mineral Property Acquisition and Exploration Costs

Mineral property acquisition and exploration costs are expensed as incurred until such time as economic reserves are quantified. To date, the Company has not established any proven or probable reserves on its mineral properties. Costs of lease, exploration, carrying and retaining unproven mineral lease properties are expensed as incurred. The Company has chosen to expense all mineral exploration costs as incurred given that it is still in the exploration stage. Once the Company has identified proven and probable reserves in its investigation of its properties and upon development of a plan for operating a mine, it would enter the development stage and capitalize future costs until production is established. When a property reaches the production stage, the related capitalized costs will be amortized over the estimated life of the probable-proven reserves. When the Company has capitalized mineral properties, these properties will be periodically assessed for impairment of value and any diminution in value. To date, the Company has not established the commercial feasibility of any exploration prospects; therefore, all costs are being expensed. During the three months ended September 30, 2016 and 2015, the Company did not incur exploration costs. Costs of property acquisitions are being capitalized, and a required payment of $10,000 was made to Mojave Gold Mining Corporation (Mojave) as part of the Option to Purchase Agreement (Option).

Deferred Financing Fees

In conjunction with the NPX Convertible Note (as discussed in Note 4) the Company paid financing fees of approximately $22,000 in cash in April 2014. These fees were capitalized as deferred financing fees and were amortized over the life of the Note using the effective interest method. Amortization of deferred financing fees included in interest expense during the three months ended September 30, 2016 and 2015 was approximately $0 and $2,750, respectively and during the nine months ended September 30, 2016 and 2015 was approximately $3,666 and $8,250, respectively .

Fair Value Measurement

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. There are three levels of inputs that may be used to measure fair value:

Level 1 - Valuation based on quoted market prices in active markets for identical assets and liabilities.

Level 2 - Valuation based on quoted market prices for similar assets and liabilities in active markets.

Level 3 - Valuation based on unobservable inputs that are supported by little or no market activity, therefore requiring management s best estimate of what market participants would use as fair value.

The Company does not have any assets or liabilities measured using Level 1 or 2 inputs. The Company s Level 3 financial liabilities measured at fair value consisted of the warrant liability.

Fair Value of Financial Instruments

The respective carrying value of certain on-balance-sheet financial instruments approximated their fair values due to the short-term nature of these instruments. These financial instruments include cash, accounts payable, and other liabilities. The warrant liability, a long-term liability, is already recorded at fair value.

Income Taxes

Income taxes are accounted for under the asset and liability method in accordance with ASC 740, "Income Taxes". Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial carrying amounts of existing assets and liabilities and their respective tax bases as well as operating loss and tax credit carry forwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the periods in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. Deferred tax assets are reduced by a valuation allowance to the extent that the recoverability of the asset is unlikely to be recognized.

The Company reports a liability, if any, for unrecognized tax benefits resulting from uncertain tax positions taken, or expected to be taken, in an income tax return. The Company has elected to classify interest and penalties related to unrecognized income tax benefits, if and when required, as part of income tax expense in the statement of operations. No liability has been recorded for uncertain income tax positions, or related interest or penalties as of September 30, 2016 or December 31, 2015. The periods ended December 31, 2015, 2014, 2013 and 2012 are open to examination by taxing authorities.

Long Lived Assets

The Company assesses the impairment of long-lived assets whenever events or changes in circumstances indicate that the carrying value may not be recoverable. When the Company determines that the carrying value of long-lived assets may not be recoverable based upon the existence of one or more indicators of impairment and the carrying value of the asset cannot be recovered from projected undiscounted cash flows, the Company records an impairment charge. The Company measures any impairment based on a projected discounted cash flow method using a discount rate determined by management to be commensurate with the risk inherent in the current business model. Significant management judgment is required in determining whether an indicator of impairment exists and in projecting cash flows.

Preferred Stock

The Company accounts for its preferred stock under the provisions of the ASC on Distinguishing Liabilities from Equity, which sets forth the standards for how an issuer classifies and measures certain financial instruments with characteristics of both liabilities and equity. This standard requires an issuer to classify a financial instrument that is within the scope of the standard as a liability if such financial instrument embodies an unconditional obligation to redeem the instrument at a specified date and/or upon an event certain to occur. The Company has determined that its preferred stock does not meet the criteria requiring liability classification as its obligation to redeem these instruments is not based on an event certain to occur. Future changes in the certainty of the Company s obligation to redeem these instruments could result in a change in classification.

Derivative Financial Instruments

The Company accounts for derivative instruments in accordance with Financial Accounting Standards Board (FASB) ASC 815, Derivatives and Hedging (ASC 815), which requires additional disclosures about the Company s objectives and strategies for using derivative instruments, how the derivative instruments and related hedged items are accounted for, and how the derivative instruments and related hedging items affect the financial statements. The Company does not use derivative instruments to hedge exposures to cash flow, market or foreign currency risk. Terms of convertible debt and equity instruments are reviewed to determine whether or not they contain embedded derivative instruments that are required under ASC 815 to be accounted for separately from the host contract, and recorded on the balance sheet at fair value. The fair value of derivative liabilities, if any, is required to be revalued at each reporting date, with corresponding changes in fair value recorded in current period operating results. Pursuant to ASC 815, an evaluation of specifically identified conditions is made to determine whether the fair value of warrants issued is required to be classified as equity or as a derivative liability.

Stock-Based Compensation

Stock-based compensation is accounted for based on the requirements of the Share-Based Payment Topic of ASC 718 which requires recognition in the consolidated financial statements of the cost of employee and director services received in exchange for an award of equity instruments over the period the employee or director is required to perform the services in exchange for the award (presumptively, the vesting period). This ASC also requires measurement of the cost of employee and director services received in exchange for an award based on the grant-date fair value of the award.

The estimated fair value of each stock option as of the date of grant was calculated using the Black-Scholes pricing model. The Company estimates the volatility of its common stock at the date of grant based on the volatility of a comparable peer company which is publicly traded. The Company determines the expected life based on historical experience with similar awards, giving consideration to the contractual terms, vesting schedules and post-vesting forfeitures. The Company uses the risk-free interest rate on the implied yield currently available on U.S. Treasury issues with an equivalent remaining term approximately equal to the expected life of the award. The Company has never paid any cash dividends on its common stock and does not anticipate paying any cash dividends in the foreseeable future. The shares of common stock subject to the stock-based compensation plan shall consist of unissued shares, treasury shares or previously issued shares held by any subsidiary of the Company, and such number of shares of common stock are reserved for such purpose.

On March 31, 2015 we granted options to purchase 4,500,000 shares of our common stock of the 4,500,000 shares of common stock under our 2011 Equity Incentive Plan.

Net Income (Loss) per Common Share

The following table shows basic and diluted earnings per share

	Three Months Ended		Nine Months Ended	
	9/30/16	9/30/15	9/30/16	9/30/15
Basic and Diluted Earnings (Loss) per Common Share				
Earnings (loss) per common share	$(320,057)	$(192,534)	$1,800,186	$(586,840)
Basic weighted average shares outstanding	88,843,207	50,189,624	78,661,666	47,243,863
Dilutive effect of common stock equivalents	-	-	9,844,444	-
Diluted weighted average common shares outstanding,				
assuming conversion of common stock equivalents	88,843,207	50,189,624	88,506,110	47,243,863
Basic Earnings (Loss) Per Common Share	-	-	.02	(.01)
Diluted Earnings (Loss) Per Common Share	-	-	.02	(.01)

11,000,000 and 18,562,500 of preferred shares issued in July 2016 and August 2016 respectively were included in the computation of diluted shares. 4,500,000 of stock options were included in the computation for the nine months ended September 30, 2016. 9,668,660 of warrants were not included in the diluted weighted average shares calculation because they were out-of-the money for the nine month period ending September 30, 2016. The NPX Convertible Loan could convert into shares of the Company s common shares at a conversion price equal to $0.25 per common share; which was not included in the computation of diluted shares, however, this loan was paid off with the issuance of 18,562,500 series B preferred shares. In periods where the Company has a net loss, all common stock equivalents are excluded as they would be anti-dilutive.

Risks and Uncertainties

Our limited operating history makes it difficult for potential investors to evaluate our business or prospective operations. Since our formation, we have not generated any revenues. As an early stage company, we are subject to all the risks inherent in the initial organization, financing, expenditures, complications and delays inherent in a new business. Investors should evaluate an investment in us in light of the uncertainties encountered by developing companies in a competitive environment. Our business is dependent upon the implementation of our business plan. There can be no assurance that our efforts will be successful or that we will ultimately be able to attain profitability.

Natural resource exploration, and exploring for gold in particular, is a business that by its nature is very speculative. There is a strong possibility that we will not discover gold or any other resources which can be mined or extracted at a profit. Even if we do discover gold or other deposits, the deposit may not be of the quality or size necessary for us or a potential purchaser of the property to make a profit from actually mining it. Few properties that are explored are ultimately developed into producing mines. Unusual or unexpected geological formations, geological formation pressures, fires, power outages, labor disruptions, flooding, explosions, cave-ins, landslides and the inability to obtain suitable or adequate machinery, equipment or labor are just some of the many risks involved in mineral exploration programs and the subsequent development of gold deposits.

Our business is exploring for gold and other minerals. In the event that we discover commercially exploitable gold or other deposits, we will not be able to make any money from them unless the gold or other minerals are actually mined or we sell all or a part of our interest. Accordingly, we will need to find some other entity to mine our properties on our behalf, mine them ourselves or sell our rights to mine to third parties. Mining operations in the United States are subject to many different federal, state and local laws and regulations, including stringent environmental, health and safety laws. In the event we assume any operational responsibility for mining our properties, it is possible that we will be unable to comply with current or future laws and regulations, which can change at any time. It is possible that changes to these laws will be adverse to any potential mining operations. Moreover, compliance with such laws may cause substantial delays and require capital outlays in excess of those anticipated, adversely affecting any potential mining operations. Our future mining operations, if any, may also be subject to liability for pollution or other environmental damage. It is possible that we will choose to not be insured against this risk because of high insurance costs or other reasons.

Recent Accounting Pronouncements

There are several new accounting pronouncements issued by the FASB which are not yet effective. Management does not believe any of these accounting pronouncements will be applicable and therefore will not have a material impact on the Company's financial position or operating results.

NOTE 2 - STOCKHOLDER S EQUITY

Recent Sales of Unregistered Securities

On June 26, 2015, the Company issued Arden Larson 200,000 shares of the Company s common stock for a total of $4,000 in settlement of an option payment to purchase the Klondike Project.

On July 22, 2015, the Company sold an aggregate of 5,583,847 shares of common stock with gross proceeds to the Company of $89,341 to a certain accredited investor pursuant to a subscription agreement. The proceeds from this offering were used primarily for general corporate purposes.

On October 29, 2015, the Company issued Mojave 1,250,000 shares (valued at $20,125) of the Company s common stock in settlement of an option and work commitment payment as part of the October 29, 2014 Option.

On February 2, 2016, the Board of Directors of the Company approved a stock compensation distribution to David Beling, CEO and President, as full payment of his salary from June 2014 through December 2015. There were a total of 24,687,204 shares awarded to Mr. Beling on February 12, 2016 at a price of $0.01411 per share.

On June 21, 2016, the Company sent a notice of termination to Arden Larson with respect to the Option Agreement dated June 11, 2012 and amended May 6, 2015 for the Klondike Project in Nevada. The Company issued Larson 270,000 shares (valued at $14,850) of common stock as full and final payment. The Company will have no further obligations.

On June 30, 2016, the Company has settled all debts and obligations with respect to a December 12, 2012 Facility Agreement with RMB Australia Holdings Limited (RMB). The principal and interest due RMB under the Agreement as of June 30, 2016 was $2,843,813. Components of the payout were $250,000 of cash paid to RMB on June 30, 2016, which was raised from recent private placements, and issuance of one million shares of BFGC common stock on July 5, 2016 valued at $70,000.

Effective June 30, 2016, the Company sold an aggregate of 18,666,667 shares (11,000,000 series B preferred shares and 7,666,667 common shares) with gross proceeds to the Company of $280,000 to certain accredited investors pursuant to a stock agreement.

On August 1, 2016, the Company issued 18,562,500 series B preferred shares to NPX Metals. See Note 4 for additional discussion.

On August 24, 2016, the Company issued 2,500,000 common shares for consulting services.

On August 29, 2016, the Company sold an aggregate of 500,000 common shares with gross proceeds to the Company of $32,000 to certain accredited investors pursuant to a stock agreement.

On September 22, 2016, the Company issued 133,333 common shares for consulting services.

On October 4, 2016, the Company issued Kjeld Thygesen, the Company s newly appointed independent Director, 300,000 common shares.

Convertible Preferred Stock

In August 2011, the Board of Directors designated 5,000,000 shares of its Preferred Stock as Series A Preferred Stock. Each share of Series A preferred stock par value $0.0001 per share (Preferred Stock) is convertible into one share of common stock at the option of the preferred holder. The Series A Preferred Stock is not entitled to receive dividends and does not possess redemption rights. The Company is prohibited from effecting the conversion of the Series A Preferred Stock to the extent that, as a result of the conversion, the holder of such shares beneficially owns more than 4.99% (or, if this limitation is waived by the holder upon no less than 61 days prior notice to us, 9.99%) in the aggregate of the issued and outstanding shares of our common stock calculated immediately after giving effect to the issuance of shares of common stock upon conversion of the Series A Preferred Stock. The holders of the Company s Series A Preferred Stock are also entitled to certain liquidation preferences upon the liquidation, dissolution or winding up of the business of the Company.

In October 2012, the Board of Directors designated 5,000,000 shares of its Preferred Stock as Series B Preferred Stock. In July 2016, the Board of Directors amended the total Series B Preferred Stock to 45,000,000. Each share of Series B Preferred Stock is convertible into one share of common stock at the option of the preferred holder. The Series B Preferred Stock is not entitled to receive dividends and does not possess redemption rights. The Company is prohibited from effecting the conversion of the Series B Preferred Stock to the extent that, as a result of the conversion, the holder of such shares beneficially owns more than 4.99% (or, if this limitation is waived by the holder upon no less than 61 days prior notice to us, 9.99%) in the aggregate of the issued and outstanding shares of our common stock calculated immediately after giving effect to the issuance of shares of common stock upon conversion of the Series B Preferred Stock. For a period of 24 months from the issue date, the holder of Series B Preferred Stock is entitled to price protection as determined in the subscription agreement. The Company has evaluated this embedded lower price issuance feature in accordance with ASC 815 and determined that is clearly and closely related to the host contract and is therefore accounted for as an equity instrument.

As of September 30, 2016, the Company had outstanding 29,562,500 series B preferred shares.

Common Stock Options

On September 30, 2011, the Board of Directors and stockholders adopted the 2011 Stock Incentive Plan (the 2011 Plan). Under the 2011 Plan, options may be granted which are intended to qualify as Incentive Stock Options under Section 422 of the Internal Revenue Code of 1986 (the "Code") or which are not intended to qualify as Incentive Stock Options thereunder. In addition, direct grants of stock or restricted stock may be awarded. The 2011 Plan has reserved 4,500,000 shares of common stock for issuance.

There were a total of 4,500,000 options granted from the 2011 Plan in March 2015 (the March 2015 Options). These options issued are nonqualified stock options and were 100% vested on grant date. All expense related to these stock options has been recognized.

A summary of the March 2015 Options is presented below:

March 2015 Options	**Options**	**Strike Price**	**Term**	
Officer	1,775,000	$0.025	10 years	(1)
Consultant	250,000	$0.025	10 years	
Consultant	355,000	$0.025	10 years	
Consultant	705,000	$0.025	10 years	
Director	1,415,000	$0.025	10 years	(2)
TOTAL	**4,500,000**			

(1) Issued to David Beling, the Company's Chief Executive Officer and President

(2) Issued to Alan Lindsay, the Company's Chairman of the Board of Directors.

The Black Scholes option pricing model was used to estimate the fair value of $78,045 of the March 2015 Options with the following inputs:

Options	**Exercise Price**	**Term**	**Volatility**	**Risk Free Interest Rate**	**Fair Value**
4,500,000	$0.025	6 years	87.1%	1.71%	$78,045

A summary of the stock options as of September 30, 2016 and changes during the period are presented below:

	Number of Options	**Weighted Average Exercise Price**	**Weighted Average Remaining Contractual Life (Years)**	**Aggregate Intrinsic Value**
Balance at December 31, 2014	-	-	-	-
Granted	4,500,000	$ 0.025	10.00	-
Exercised	-	-	-	-
Forfeited	-	-	-	-
Canceled	-	-	-	-
Balance at December 31, 2015	4,500,000	$ 0.025	9.25	-
Granted	-	-	-	-
Exercised	-	-	-	-
Forfeited	-	-	-	-
Canceled	-	-	-	-
Balance at September 30, 2016	4,500,000	$ 0.025	8.50	-
Options exercisable at September 30, 2016	4,500,000	$ 0.025	8.50	-

NOTE 3 - DERIVATIVE FINANCIAL INSTRUMENTS

In applying current accounting standards to the financial instruments issued in the 2012 Private Placement, February 2013 Private Placement, August 2013 Private Placement and October 2013 Private Placement, the Company first considered the classification of the Series A and Series B Preferred Stock under ASC 480 Distinguishing Liabilities from Equity, and the Warrants under ASC 815 Derivatives and Hedging. The Series A and Series B Preferred Stock is perpetual preferred stock without redemption or dividend provisions, contingent or otherwise. Further, the Series A and Series B Preferred Stock is convertible into a fixed number of shares of Common Stock with adjustments to the conversion price solely associated with equity restructuring events such a stock splits and recapitalization. Generally redemption provisions that provide for the mandatory payment of cash to the Investor to settle the contract or certain provisions that cause the number of linked shares of Common Stock to vary result in liability classification; and, in some instances, classification outside of stockholders equity. There being no such provisions associated with the Series A or Series B Preferred Stock, it is classified as a component of stockholders equity.

The warrants were also evaluated for purposes of classification. The warrants issued contain a feature that is not consistent with the concept of stockholders equity. The exercise price of the warrants is subject to adjustment upon the issuance of common stock or common share linked contracts at prices below the contractual exercise prices. The 2012 Private Placement and February 2013 Private Placement warrants price adjustment expires four years after the date of issuance. The August 2013 Private Placement and October 2013 Private Placement warrants were amended on December 2, 2013 and allows for a price adjustment that expires three years after the date of original issuance. Current accounting standards provide that such provisions are not consistent with the concept of stockholders equity. As a result, all warrants with price adjustment features require classification in liability as derivative warrants. Derivative warrants are carried initially at fair value (up to the value of cash received) and subsequently at fair value with changes in fair value reflected in income.

	Closing date of private placement						
	11/19/12	**12/17/12**	**02/04/13**	**06/21/13**	**08/15/13**	**10/09/13**	**Total warrant liability**
Ending balance at December 31, 2014	$ 13	$ 5	$ 2	$ -	$ -	$ -	$ 20
Change in fair value of warrant liability	(13)	(5)	(2)	-	-	-	(20)
Ending balance at December 31, 2015	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Change in fair value of warrant liability	-	-	-	-	-	-	-
Ending balance at September 30, 2016	$ -	$ -	$ -	$ -	$ -	$ -	$ -

The estimated fair value of the warrants was calculated using the Black-Scholes pricing model, however we concluded the estimated fair value of the warrants was not material and does not require separate disclosure of calculation inputs.

Warrants contain limitations on exercise, including the limitation that the holders may not convert their warrants to the extent that upon exercise the holder, together with its affiliates, would own in excess of 4.99% of our outstanding shares of common stock (subject to an increase upon at least 61-days notice by the subscriber to us, of up to 9.99%).

The second classification-related accounting consideration related to the possibility that the conversion option embedded in the Series A and Series B Preferred Stock may require classification outside of stockholders equity. Generally, an embedded feature in a hybrid financial instrument (such as the Series A and Series B Preferred Stock) that both meets the definition of a derivative financial instrument and is not clearly and closely related to the host contract in term of risks would require bifurcation and accounting under derivative standards. The embedded conversion option is a feature that embodies risks of equity. The Company has concluded that the Series A and Series B Preferred Stock is a contract that affords solely equity risks.

NOTE 4 - NOTES PAYABLE

RMB Facility (the Facility)

On December 10, 2012 (the Closing Date), the Company entered into the Facility with RMB, as the lender, in the amount of $4,200,000. The loan proceeds from the Facility were used to fund an agreed work program relating to the Newsboy gold project located in Arizona and for agreed general corporate purposes. Standard Gold, the Company s wholly owned subsidiary is the borrower under the Facility and the Company is the guarantor of Standard Gold s obligations under the Facility. Standard Gold paid an arrangement fee of 7% of the Facility amount due upon the first draw down of the Facility. The Facility funds were available to drawdown until March 31, 2014 with the final repayment date due 24 months after the Closing Date, which was December 10, 2014. The Facility bears interest at the rate of LIBOR plus 7% with interest payable quarterly in cash.

On December 15, 2014, RMB amended the Facility to extend the repayment date to December 15, 2015. All interest accrued but unpaid as of December 15, 2014 was capitalized and added to the outstanding principal balance. On December 15, 2015, RMB amended the Facility to extend the repayment date to December 15, 2016.

As stated in Note 2, on June 30, 2016, the Company has settled all debts and obligations with respect to the Facility Agreement with RMB. The principal and interest due RMB under the Agreement as of June 30, 2016 was $2,843,813. Components of the payout were $250,000 of cash paid to RMB on June 30, 2016, which was raised from recent private placements, and issuance of one million shares of the Company s common stock with a value of $70,000 resulting in a gain on settlement of $2,523,813.

NPX Convertible Note

On April 25, 2014 (NPX Closing Date), the Company entered into a Securities Purchase Agreement for an unsecured 12.5% convertible promissory note (the Note) with NPX Metals, Inc (NPX), as the lender, in the amount of $220,000. The Note proceeds were used to fund the Klondike Project and for general corporate purposes. The Company paid an arrangement fee of 10% of the Note and issued 220,000 warrants to purchase one full share at a price of $0.35 within three years from the NPX Closing Date. The Note principal and unpaid accrued interest were due and payable 24 months from the NPX Closing Date. The president of NPX is Johnathan Lindsay, the son of the chairman of the board of the Company Alan Lindsay. During the term of the Note, NPX could elect by giving five days to convert their Note and any accrued but unpaid interest thereon, into shares of the Company s common shares at a conversion price equal to $0.25 per common share. Additionally, for each common share purchased there will be a three year warrant to purchase one hundred percent of the number of shares purchased at a per share exercise price of $0.35.

On July 25, 2016, the Company has settled all debts and obligations with respect the Note. The principal and interest due NPX under the Note as of July 25, 2016 was $278,438. As settlement of the Note the Company issued NPX 18,562,500 shares of Series B Preferred Stock on August 1, 2016. As a result of NPX being a related party, zero gain was realized on settlement.

The ability of NPX to exercise the warrants is not contingent upon the conversion of the Note and, accordingly, we determined that the warrant was detachable from the Note. The estimated fair value of the warrant was calculated on the date of issuance using the Black-Scholes pricing model, however we concluded the estimated fair value of the warrant was not material and does not require separate accounting treatment. The warrant also contains a provision that the warrant will be adjusted under certain conditions in the event future warrants are issued with more favorable terms.

Related Party

As of September 30, 2016 the Company has a related party payable with David Beling, CEO and President, of $313,055. This amount consists of $200,480 of expense reports plus interest of $33,825 and salary of $75,000 plus interest of $3,750.

NOTE 5 - COMMITMENTS

On June 11, 2012, the Company entered into an option agreement that was amended on May 6, 2015 with Arden Larson, an unrelated party, to purchase a 100% interest in the Klondike Project (Klondike) that currently includes 109 unpatented mining claims. Klondike is located in the Alpha Mining District about 40 miles north of Eureka, Nevada.

As stated in Note 2, on June 21, 2016, the Company sent a notice of termination to Arden Larson with respect to the Option Agreement dated June 11, 2012 and amended May 6, 2015 for the Klondike Project in Nevada. The Company issued Larson 270,000 shares of common stock as full and final payment, this resulted in a loss on abandonment of $164,850. The Company will have no further obligations.

On March 23, 2015 (Effective Date), RMM entered into a Mineral Lease and Option to Purchase Agreement (the Barrick Agreement) with Barrick Bullfrog Inc. (Barrick Bullfrog) involving patented mining claims, unpatented mining claims, and mill site claims (Properties) located three miles west of Beatty, Nevada. These Properties are strategically located adjacent to the Company s Bullfrog Gold Project and include two patents that cover the southwest half of the Montgomery-Shoshone (M-S) open pit gold mine. In October 2014 the Company optioned the northeast half of the M-S pit and now controls the entire pit.

RMM shall expend as minimum work commitments for the benefit of the Properties prior to the 5th anniversary of the Effective Date per the schedule below:

Anniversary of Effective Date	**Minimum Project Work Commitment ($)**
First	100,000
Second	200,000
Third	300,000
Fourth	400,000
Fifth	500,000

Item 2. Management s Discussion And Analysis Of Financial Condition And Results Of Operations

Certain statements in this Management's Discussion and Analysis (MD&A), 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. Forward-looking statements generally can be identified by the use of forward-looking terminology such as may, would, expect, intend, could, estimate, should, anticipate, or believe, and similar expressions. 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. We undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events, or otherwise. Readers should carefully review the risk factors and related notes included under Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2015 filed with the Securities and Exchange Commission on March 30, 2016.

The following MD&A is intended to help readers understand the results of our operation and financial condition, and is provided as a supplement to, and should be read in conjunction with, our Interim Unaudited Financial Statements and the accompanying Notes to Interim Unaudited Financial Statements under Part 1, Item 1 of this Quarterly Report on Form 10-Q.

Growth and percentage comparisons made herein generally refer to the nine months ended September 30, 2016 compared with the nine months ended September 30, 2015 unless otherwise noted. Unless otherwise indicated or unless the context otherwise requires, all references in this document to we, us, our, the Company, and similar expressions refer to Bullfrog Gold Corp., and depending on the context, its subsidiaries.

<u>Company History and Recent Events</u>

Bullfrog Gold Corp., was incorporated under the laws of the State of Delaware on July 23, 2007 as Kopr Resources Corp. On July 19, 2011, the Company s Board of Directors (the Board) approved the filing of an Amended and Restated Certificate of Incorporation of the Company to authorize (i) the change of the name of the Company to "Bullfrog Gold Corp." from "Kopr Resources Corp." (ii) the increase in the authorized capital stock to 250,000,000 shares and (iii) the change in par value of the capital stock to $0.0001 per share. The Company is in the exploration stage of its resource business.

Company Overview

We are an exploration stage company engaged in the acquisition and exploration of properties that may contain gold and other mineralization primarily in the United States.

Bullfrog Project

The Bullfrog Project lies approximately 4 miles west of the town of Beatty and 120 miles northwest of Las Vegas, Nevada. Standard Gold initially acquired in 2011 a 100% right, title and interest in 79 lode claims and 2 patented claims that contain approximately 1,600 acres subject to a 3% net smelter royalty.

On October 29, 2014, Rocky Mountain Minerals Corp. (RMM) a wholly owned subsidiary of the Company, entered into an Option Agreement (the Option) with Mojave. Mojave holds and possesses the purchase rights to 100% of 12 patented mining claims located in Nye County, Nevada. This property is contiguous to the Company s Bullfrog Project and covers approximately 156 acres, including the northeast half of the Montgomery-Shoshone (M-S) pit mined by Barrick Gold in the 1990 s.

Mojave granted to RMM the sole and immediate working right and option with respect to the property until the 10th anniversary of the closing date, to earn a 100% interest in and to the property free and clear of all charges encumbrances and claims, save and except a sliding scale NSR Royalty.

In order to maintain in force the working right and Option granted to it, and to exercise the Option, RMM granted Mojave 750,000 shares of common stock and paid $16,000. RMM must pay to Mojave a total of $190,000 over the next 10 years. For reference, Barrick Bullfrog (Barrick) terminated a lease on these patents after they ceased operations in late 1999.

On March 23, 2015, RMM entered into a Mineral Lease and Option to Purchase Agreement with Barrick involving 6 patented mining claims, 20 unpatented mining claims, and 8 mill site claims located four miles west of Beatty, Nevada and covers approximately 444 acres. These properties are strategically located adjacent to the Company s Bullfrog Gold Project and include two patents that cover the southwest half of the M-S open pit from which Barrick produced approximately 220,000 ounces of gold by the late 1990 s. Underground mining in the early 1900 s produced approximately 70,000 ounces of gold from the M-S deposit. Also included in the agreement is the northern one third of the main Bullfrog deposit where Barrick mined approximately 2.1 million additional ounces by open pit and underground methods. In addition to prospective adjacent lands, these acquisitions provide the potential to expand the M-S deposit along strike and at depth and in the northern part of the main Bullfrog deposit.

The Company also has access to Barrick s substantial data base within a 1.5 mile radius of the leased lands to further advance its exploration and development programs. To maintain the lease and option, the Company must spend $1.5 million dollars within five years on the Barrick properties and then pay Barrick 3.25 million shares of the Company s common stock while providing a 2% gross royalty on production from the Barrick properties. Overriding royalties of 5% net smelter returns and 5% gross proceeds are respectively limited to three claims and two patents in the main Bullfrog pit area. Barrick has retained a back-in right to reacquire a 51% interest in the Barrick properties, subject to definition of a mineral resource on the Barrick properties meeting certain criteria, and reimbursing the Company in an amount equal to two and one half times Company expenditures on the Barrick properties.

Company management estimated in April 2015 that 41,000 ounces of gold in 1.44 million tons of material averaging 0.97 gram per ton remains within a cutoff depth up to 75 meters under the existing M-S pit. This manual estimate was based on cross sections typically spaced 15 meters apart, a cutoff grade of 0.3 gram gold per ton at the top and bottom of mineral intervals, and drill data and pit surveys completed by Barrick. Notwithstanding, Barrick makes no representation concerning the accuracy or completeness of the data used by the Company or any estimates made by the Company. Additional drilling is required to confirm some of the Company s mineral projections and to test for extensions at greater depths and along strike beyond the existing pit limits.

Half of this M-S mineralization is on two Barrick patents within the pit and half is on two of the 12 Mojave patents. The direct ratio of waste to mineral tons within a cross-sectional preliminary pit outline is 0.97:1, but this does not include waste removal required for ramps and other considerations that would otherwise be included in a future pit plan based on computerized block modelling and 3-D mine planning and design programs. It is cautioned that the Company s current and expanded properties contain no reserves or resources and that the estimates and additional potential mineralization discussed herein may never become viable, feasible or economic. These estimates were mainly prepared to assess the available M-S information and plan additional drilling.

Significant drilling is required to test projections of mineralized trends and structures that extend for considerable distances to the north and east of the M-S pit on the original lands acquired by the Company in 2011. Located east of the M-S pit is an area 700 meters by 1,300 meters in which there is only one shallow hole from which there is no data available. Only a small portion of this area may be prospective, but the area certainly warrants additional study and exploration drilling.

There is only one drill hole located about 150 meters northeast of the M-S pit limit and another hole 1,000 meters northeast of the pit along strike of a major geologic structure. In this regard, the Company s lands extend nearly 5,000 meters north-northeast of the pit and there has been very little drilling in this area, even though several structures have been mapped by Barrick and others.

Barrick drilled twelve deep holes in the M-S area ranging from 318 meters to 549 meters. Notable mineral intercepts from four holes below the central part of the pit are summarized below:

Hole No.	Intercept Data, Meters Thickness	Under Pit	Gold g/t
717	51.8	70	1.35
	18.3	135	0.59
	15.2	150	0.68
	160.0	180	0.96
732	10.7	200	0.84
	79.2	330	0.74
733	12.2	130	1.14
	13.7	220	0.75
	29.0	250	0.70
734	4.6	15	6.03
	21.3	70	1.43
	22.9	130	0.89
	4.6	190	1.04

These results demonstrate that substantial amounts of gold occur in an exceptionally large epithermal system that has good potential for expansion and possibly higher grades at depth. Three of these intercepts are less than 75 meters below the existing pit. Two holes located 40 meters and 90 meters east of the 160 meter interval in hole #717 contained no significant mineralization at this depth, whereas the 29 meters of mineral in hole #733 is 60 meters west and the mineral zone is open to the north, south and west.

For reference, Barrick terminated all mining and milling operations in the autumn of 1999 when their cash production costs exceeded gold prices that averaged less than $300 per ounce for the year and reached a low of $258/oz in August 1999. The economic margins for heap leaching lower grades at current gold prices near $1200/oz are deemed better than in 1999, and the Company is positioned to explore such opportunities. Furthermore, Barrick never controlled or had access to a patented claim on the immediate east and north limits of the M-S pit, but this patent is owned by the Company.

During the past year the Company has studied Barrick s entire electronic data base and much of their paper data base obtained from their Elko, Nevada and Salt Lake City, Utah offices. On April 11, 2016 the Company distributed a press release that included a mineral inventory estimate of 470,000 ounces of gold, as summarized below.

Mineral Inventory Estimates

Pit Areas	Tonnes Millions	Gold G/T	Gold Ounces
M-S Shallow	1.1	1.06	38,612
M-S Deeper	0.9	0.93	26,813
Bullfrog North	13.3	0.88	375,051

BF NE Mystery Hill	0.9	0.80	26,813
Total/Average	16.4	0.89	469,961

Based on cross sectional estimation methods using a nominal gold cut-off grade of 0.3 g/t. Average waste to mineral ratio was estimated at less than 5 to 1.

These estimates are supported by close-spaced drill holes upon which Barrick produced 2.3 million ounces of gold from proven and probable ore reserves during 1989 to 1999. As a result, it would not require much more drilling or expense to upgrade these inventories to much higher classifications and meet US and Canadian industry standards. For reference, the large electronic data base acquired from Barrick includes 253,900 meters or 157 miles of drilling in 1,298 holes and a paper data base that may weigh 2,000 pounds. In this regard, the Company is the only entity that examined the Bullfrog Project data base after it was re-located to Barrick s Elko and Salt Lake City offices in 2000 and performed detailed evaluations of mineralization remaining around the M-S and Bullfrog mines. Notwithstanding, Barrick makes no representation concerning the accuracy, completeness or application of their data by the Company. It is further cautioned that the Bullfrog Project contains no reserves or resources and that the mineral inventory estimates and other forward looking statements herein may never become viable, feasible or economic.

Metallurgy

In 1994 Kappes Cassiday of Reno, NV performed simulated heap leach column tests on 250 kg samples with results as follows:

Size, inch	-1.5	-3/8
Calc. Head, gold opt	.035	.029
Rec., %	71.4	75.9
Leach time, days	41	41

In 1995, Barrick performed a pilot heap leach test on 844 tons that were crushed to -½ inch and averaged 0.019 gold opt. In only 41 days of leaching, 67% of the gold was recovered while cyanide and lime consumptions were exceptionally low.

In 1986 St Joe column leached a 22-ton composite of minus 12-inch material grading 0.037 gold opt to simulate heap leaching material at a coarse run-of-mine (ROM) size and recovered 49% in 59 days of leaching, which they projected to 54% for leaching 90 days.

In summary, the Bullfrog Project mineralization has good heap leach gold recoveries for crushing to 1.5 inch or less and at ROM size. The latter is particularly important since much additional low grade under 0.3 g/t that must be excavated from a pit could be ROM heap leached to supplement production.

<u>Results of Operations</u>

Three Months Ended September 30, 2016 Compared to September 30, 2015

	Three Months Ended	
	9/30/16	9/30/15
Revenue	$0	$0
Operating expenses		
General and administrative	311,991	92,932
Exploration costs	0	29,338

Total operating expenses	311,991	122,270
Net operating loss	(311,991)	(122,270)
Interest expense	(8,066)	(70,270)
Revaluation of warrant liability	0	6
Net income (loss)	$(320,057)	$(192,534)

Nine Months Ended September 30, 2016 Compared to September 30, 2015

	Nine Months Ended	
	9/30/16	9/30/15
Revenue	$0	$0
Operating expenses		
General and administrative	403,084	332,186
Exploration costs	0	29,338
Total operating expenses	403,084	361,524
Net operating loss	(403,084)	(361,524)
Gain on extinguishment of debt	2,523,813	0
Loss on asset abandonment	(164,850)	0
Interest expense	(155,693)	(207,336)
Revaluation of warrant liability	0	20
Net income (loss)	$1,800,186	$(568,840)

We are still in the exploration stage and have no revenues to date.

During the nine months ended September 30, 2016 we had a net income compared to a net loss for the three months ended September 30, 2016. The net income was a result of the final note payoff to RMB that came with a gain on extinguishment of debt of approximately $2,500,000. The terms of the payoff have been discussed throughout the body of this Form 10Q and a complete disclosure can be found on the Form 8K filed with the Securities and Exchange Commission on July 7, 2016. Additionally, David Beling, President & CEO, agreed to a 50% salary reduction effective January 1, 2016 which results in an annual salary of $100,000 and a reduction to general and administrative costs. Additionally, the Klondike Project agreement was terminated in June 2016 resulting in a loss on asset abandonment of $164,850. The increase in general and administrative expense during the three and nine months ended September 30, 2016 was due to the issuance of stock for services.

Liquidity and Capital Resources

Losses from operations have been incurred since inception, with the exception of the three months ended June 30, 2016, and there is an accumulated deficit of $7,900,098 as of September 30, 2016. Continuation as a going concern is dependent upon raising additional funds and attaining profitable operations. On December 10, 2012, the Company entered into the Facility with RMB, as the lender, in the amount of $4.2 million.

As previously discussed the RMB debt was paid off on June 30, 2016.

On March 31, 2015 we granted options to purchase 4,500,000 shares of our common stock of the 4,500,000 shares of common stock available under our 2011 Equity Incentive Plan.

On March 23, 2015 (Effective Date), RMM the 100% owned subsidiary of the Company entered into a Mineral Lease and Option to Purchase Agreement (Agreement) with Barrick Bullfrog involving patented mining claims, unpatented mining claims, and mill site claims (Properties) located three miles west of Beatty, Nevada. These Properties are strategically located adjacent to the Company s Bullfrog Gold Project and include two patents that cover the southwest half of the Montgomery-Shoshone (M-S) open pit gold mine. In October 2014 the Company optioned the northeast half of the M-S pit and now controls the entire pit.

RMM shall expend as minimum work commitments for the benefit of the Properties prior to the fifth anniversary of the effective date per the schedule below:

Anniversary of Effective Date	**Minimum Project Work Commitment ($)**
First	100,000
Second	200,000
Third	300,000
Fourth	400,000
Fifth	500,000

As previously stated, the Company received $280,000 from certain accredited investors to pay off the RMB debt on June 30, 2016.

On July 22, 2015, the Company sold an aggregate of 5,583,847 shares of common stock with gross proceeds to the Company of $89,341 to a certain accredited investor pursuant to a subscription. The proceeds from this offering will be used primarily for general corporate purposes.

On August 29, 2016, the Company sold an aggregate of 500,000 common shares with gross proceeds to the Company of $32,000 to certain accredited investors pursuant to a stock agreement.

Additional expenses will require funding for the entirety of the amount that we spend in 2016. Financing transactions may include the issuance of equity or debt securities, obtaining credit facilities, or other financing mechanisms. The trading price of our common stock and a downturn in the U.S. equity and debt markets could make it more difficult to obtain financing through the issuance of equity or debt securities. Even if we are able to raise the funds required, it is possible that we could incur unexpected costs and expenses, fail to collect significant amounts owed to us, or experience unexpected cash requirements that would force us to seek alternative financing. Furthermore, if we issue additional equity or debt securities, stockholders may experience additional dilution or the new equity securities may have rights, preferences or privileges senior to those of existing holders of our common stock.

We have no revenues and do not expect to have revenues in 2016. The consolidated financial statements have been prepared on a going concern basis, which contemplates the realization of assets and satisfaction of liabilities and commitments in the normal course of business. Should we be unable to continue as a going concern, we may be unable to realize the carrying value of our assets and to meet our obligations as they become due. To continue as a going concern, we are dependent on continued fund raising. However, we have no commitment from any party to provide additional capital and there is no assurance that such funding will be available when needed, or if available, that its terms will be favorable or acceptable to us.

There can be no assurance that additional financing will be available at all or on acceptable terms. If additional financing is not available, we may have to substantially reduce or cease operations.

Off Balance Sheet Arrangements

We do not engage in any activities involving variable interest entities or off-balance sheet arrangements.

Critical Accounting Policies and Use of Estimates

Stock based compensation is measured at grant date, based on the fair value of the award, and is recognized as an expense over the employee s requisite service period. We estimate the fair value of each stock option as of the date of grant using the Black-Scholes pricing model. The Company estimates the volatility of its common stock at the date of grant based on the volatility of comparable peer companies which are publicly traded. The Company determines the expected life based on historical experience with similar awards, giving consideration to the contractual terms, vesting schedules and post-vesting forfeitures. The Company uses the risk-free interest rate on the implied yield currently available on U.S. Treasury issues with an equivalent remaining term approximately equal to the expected life of the award. The Company has never paid any cash dividends on its common stock and does not anticipate paying any cash dividends in the foreseeable future.

The Company accounts for derivative instruments in accordance with FASB ASC 815, Derivatives and Hedging, which requires additional disclosures about the Company s objectives and strategies for using derivative instruments, how the derivative instruments and related hedged items are accounted for, and how the derivative instruments and related hedging items affect the financial statements. The Company does not use derivative instruments to hedge exposures to cash flow, market or foreign currency risk. Terms of convertible debt and equity instruments are reviewed to determine whether or not they contain embedded derivative instruments that are required under ASC 815 to be accounted for separately from the host contract, and recorded on the balance sheet at fair value. The fair value of derivative liabilities, if any, is required to be revalued at each reporting date, with corresponding changes in fair value recorded in current period operating results. Pursuant to ASC 815, an evaluation of specifically identified conditions is made to determine whether the fair value of warrants issued is required to be classified as equity or as a derivative liability.

Item 3. Quantitative And Qualitative Disclosures And Market Risk

As a smaller reporting company, as that term is defined in Item 10(f)(1) of Regulation S-K, we are not required to provide information required by this Item.

Item 4. Controls And Procedures

Disclosure Controls and Procedures

As required by Rule 13a-15 under the Securities Exchange Act of 1934, as of September 30, 2016 our management concluded its evaluation of the effectiveness of the design and operation of our disclosure controls and procedures.

Disclosure controls and procedures refer to controls and other procedures designed to ensure that information required to be disclosed in the reports we file or submit under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC and that such information is accumulated and communicated to our management, including our chief executive officer and chief financial officer, as appropriate, to allow timely decisions regarding required disclosure. In designing and evaluating our disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and management is required to apply its judgment in evaluating and implementing possible controls and procedures.

Our management does not expect that our disclosure controls and procedures will prevent all error and all fraud. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance that the control system s objectives will be met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple error or mistake. The design of any system of controls is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions.

With respect to the quarterly period and nine months ending September 30, 2016, under the supervision and with the participation of our management, we conducted an evaluation of the effectiveness of the design and operations of our disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) promulgated under the Securities Exchange Act of 1934. Based upon our evaluation regarding the quarterly period and nine months ending September 30, 2016, our management, including our Chief Executive Officer, has concluded that its disclosure controls and procedures were effective.

Changes in Internal Controls

There have been no changes in the Company s internal control over financial reporting during the three months ended September 30, 2016 that have materially affected, or are reasonably likely to materially affect, the Company s internal controls over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

We know of no material, active or pending legal proceedings against the Company, nor are we involved as a plaintiff in any material proceeding or pending litigation. There are no proceedings in which any of our directors, officers or affiliates, or any registered or beneficial shareholder, is an adverse party or has a material interest adverse to our interest.

Item 1A. Risk Factors

There have been no changes to the risk factors set forth in our Annual Report on Form 10-K for the fiscal year ended December 31, 2015

Item 2. Unregistered Sales Of Equity Securities And Use Of Proceeds

On October 4, 2016, the Company issued 300,000 common shares of restricted common stock as a result of his election to the Board of Directors.

On September 22, 2016, the Company issued 133,333 common shares for consulting services. The shares were offered and sold pursuant to an exemption from the registration requirements under Section 4(a)(2) of the Securities Act of 1933, as amended (the Securities Act).

On August 29, 2016, the Company sold an aggregate of 500,000 common shares with gross proceeds to the Company of $32,000 to certain accredited investors pursuant to a stock agreement. The common shares were issued to accredited investors, as such term is defined in the Securities Act and were offered and sold in reliance on the exemption from registration afforded by Section 4(a)(2) and Regulation D (Rule 506) under the Securities Act.

On August 24, 2016, the Company issued 2,500,000 common shares for consulting services. The shares were offered and sold pursuant to an exemption from the registration requirements under Section 4(a)(2) of the Securities Act.

Item 3. Defaults Upon Senior Securities

None

Item 4. Mine Safety Disclosures

None

Item 5. Other Information

None

Item 6. Exhibits

Exhibit Number	**Description**
31	Certification of Chief Executive Officer and Chief Financial Officer filed pursuant to Section 302 of the Sarbanes-Oxley Act of 2002*
32	Certification of Chief Executive Officer and Chief Financial Officer filed 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 Schema Document
101.cal	XBRL Taxonomy Calculation Document
101.def	XBRL Taxonomy Linkbase Document
101.lab	XBRL Taxonomy Label Linkbase Document
101.pre	XBRL Taxonomy Presentation Linkbase Document

*Filed herein

SIGNATURE

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

Date: October 24, 2016 **BULLFROG GOLD CORP.**

By: *<u>/s/ David Beling</u>*
Name: David Beling
Title: President, Chief Executive Officer and Chief Financial Officer

(Principal Executive Officer and Principal Financial and Accounting Officer)