BLUE GOLD WATER TECHNOLOGIES LTD.
(FORMERLY GOLDEN CROSS RESOURCES INC.)
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Six Months Ended March 31, 2013

GENERAL

The following management's discussion and analysis ("MD&A") of the financial condition and operating results of Blue Gold Water Technologies Ltd. (formerly Golden Cross Resources Inc.) is for the six months ended March 31, 2013. This discussion should be read in conjunction with the unaudited condensed interim consolidated financial statements for the six months ended March 31, 2013 and the audited annual financial statements and related notes thereto for the year ended September 30, 2012. Unless expressly stated otherwise, all financial information is presented in Canadian dollars. This MD&A dated May 27, 2013 was approved by the board of directors.

Additional information relevant to the Company's activities can be found on SEDAR at www.sedar.com.

Forward-looking Information

This MD&A contains certain statements that may constitute "forward-looking statements". All statements, other than statements of historical fact, included herein, including but not limited to, statements regarding future anticipated property acquisitions, the nature of future anticipated exploration programs and the results thereof, discovery and delineation of mineral resources/reserves, business and financing plans and business trends, are forward-looking statements. Although the Company believes that such statements are reasonable, it can give no assurance that such expectations will prove to be correct.

Forward-looking statements are typically identified by words such as: believe, expect, anticipate, intend, estimate, postulate and similar expressions, or which by their nature refer to future events. The Company cautions investors that any forward-looking statements by the Company are not guarantees of future performance, and that actual results may differ materially from those in forward looking statements as a result of various factors, including, but not limited to, variations in the nature, quality and quantity of any mineral deposits that may be located, variations in the market for, and pricing of, any mineral products the Company may produce or plan to produce, the Company's inability to obtain any necessary permits, consents or authorizations required for its activities, the Company's inability to produce minerals from its properties successfully or profitably, to continue its projected growth, to raise the necessary capital or to be fully able to implement its business strategies, and other risks and uncertainties identified herein under "Risks and uncertainties".

Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in any of those forward-looking statements. For this reason, investors should not attribute undue certainty to or place undue reliance on forward-looking statements.

Historical results of operations and trends that may be inferred from the following discussion and analysis may not necessarily indicate future results from operations. In particular, the current state of the global securities markets may cause significant fluctuations in the price of the Company's securities and render it difficult or impossible for the Company to raise the funds necessary to develop any of its present or future mineral properties.

OPERATIONS

The Company was incorporated in British Columbia under the Business Corporations Act on June 20, 2006 under the name Golden Cross Resources Inc. On November 21, 2012, the Company entered into an amalgamation agreement with Blue Gold Tailing Technologies Ltd. ("BGTTL") to acquire BGTTL and its water remediation and tailings processing business. The Company now intends to focus on the business of water remediation and tailings processing.

The Company is in the process of completing the amalgamation as described below.

Effective May 21, 2013, the Company changed its name to Blue Gold Water Technologies Ltd. and consolidated its commons shares on the basis of one new post-consolidation common shares for each two pre-consolidation common shares. As a result, the outstanding common shares of the Company were reduced to approximately 28,692,223. The common shares of Blue Gold Water Technologies Ltd. begin trading on a consolidated basis on May 21, 2013 under the symbol BGO.

Once the Company completes the acquisition of BGTTL, it will commence the process of proving its patented technologies and completing any purchase contracts for its patented technologies. The Company does not have a known commercial body of ore or minerals. The recoverability of the amount shown for exploration and evaluation assets is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development of those reserves and upon future profitable production.

AMALGAMATION

On May 29, 2012, the Company entered into a letter of intent with BGTTL, Blue Gold Holdings Ltd., and BG Holdings Ltd. ("Blue Gold Group") to acquire all of Blue Gold Group's contracts, purchase orders, intellectual property and technology related to its mining tailings and waste water remediation business (the "Assets"). As consideration, the Company has agreed to issue shares for the purchase of the Assets using a deemed share price of $0.28 per share following the consolidation of its shares in the basis of one new share for every two currently issued common shares of the Company. The acquisition and consolidation of its shares will be subject to shareholders' approval and the CNSX. The Company has been halted for trading since November 22, 2012 pending further announcement. On February 26, 2013, the Company made available to the public on SEDAR and CNSX websites the information circular of the Company, detailing the proposed acquisition of the water remediation and tailings processing business of BGTTL. Consequently, the Company's stock resumed trading on February 26, 2013.

In connection with the letter of intent entered into with Blue Gold Group, the Company had advanced a total of $3,454,345 as at March 31, 2013 to Blue Gold Group pursuant to several promissory notes dated between June 25, 2012 and March 27, 2013 repayable without interest within one year from the date of issuance. If Blue Gold Group fails to repay the Company within the one year term, interest will start to accrue on the amount owing at a rate of 21% per annum compounded annually. During the six months ended March 31, 2013, $1,852,070 had been advanced. The notes receivable outstanding as at March 31, 2013 are secured by a general security agreement with a floating charge and security interest on all BGTTL's assets, rights, interests and properties.

By agreement dated November 21, 2012 and subsequent amendments, the Company, together with its wholly owned subsidiary Golden Cross Acquisition Inc., and BGTTL entered into an amalgamation agreement whereby the Company agreed to amalgamate with BGTTL in accordance with the following material terms:

- Each of the 101,726,888 issued and outstanding common shares of BGTTL immediately before the effective date shall be exchanged for 0.373549223 of the Company ("Golden Cross") shares. Accordingly, a total of 38,000,000 Golden Cross shares (on a post-consolidated basis) will be issued. The Golden Cross shares held by the BGTTL's principals at the effective date shall be subject to escrow provisions and released at a rate of 10% at the date of first trading on a Canadian stock exchange after the amalgamation and 15% every 6 months thereafter;
- Up to a further 9,000,000 Golden Cross shares (on a post-consolidated basis) will be issuable to individuals designated by BGTTL's directors. These shares are earn-out shares to be released to the holders based on cumulative cash flow of the amalgamated company;
- The amalgamated company will appoint new directors;
- The Company may complete a private placement of up to 21,428,572 units at a price of no less than $0.14 per unit for gross proceeds of approximately $3,000,000. Each unit shall consist of one common share (on a pre-consolidated basis) and ½ share purchase warrant entitling the holder to purchase for each warrant one common share (on a pre-consolidation basis) for two years at a price to be determined;
- The amalgamation is subject to finder's fees of up to 3,000,000 common shares of Golden Cross on a post-consolidation basis;
- The Company will complete a 1 for 2 common shares consolidation before the effective date of the amalgamation.
- The amalgamation is to be completed on or before May 31, 2013.
- The amalgamation is subject to shareholder approval of the respective companies and regulatory approval;

On March 21, 2013, the Company obtained shareholder approval to complete its acquisition of BGTTL at the

Annual General and Special Meeting. The shareholders of the Company also approved the following special business:-

(1) A share consolidation at a ratio of 1 new share for every 2 current issued and outstanding shares; and

(2) The continuance of the Company from the Province of British Columbia into the Province of Ontario, if and at such a time as the directors of the Company determine it is desirable.

During a Special Meeting held on March 28, 2013, the shareholders of BGTTL voted unanimously in favour of the amalgamation.

About Blue Gold Tailing Technologies Ltd. ("**BGTTL")**

BGTTL is a water remediation company with a suite of technologies and proprietary nano-biotechnology that provides environmentally safe solutions for water purification, restoration and contamination issues. BGTTL uses the EPA guidelines as a benchmark for what constitutes safe agricultural or drinkable water, and tailors these guidelines to those standards that are acceptable in the jurisdiction in which the technology is used. Additionally, this technology can be used to recover heavy and precious metals from mine tailings.

The first commercial plant began operating on January 14, 2012 in Mexico. It has been successfully removing leachate from water in a landfill and producing clean water certified by Conaqua, the federal water commission of Mexico.

In addition, BGTTL has a patent pending technology that recovers precious metals contained in tailings. At the end of the process the water is remediated and can be reused. The first contract has been signed to re-treat PGM rich chrome tailings materials. The unit is expected to treat 40,000 tons of tailings per month and is expected to be installed in the second half of 2013.

BGTTL's suite of technologies includes: (i) PUREINATOR™, (ii) SMARTSAN™, (iii) LAREMUTEC™, and (v) DESALT™ 1000/2000 & DESALT™ 5500. These technologies can be utilized as separate solutions or in combination with one another, to accommodate specific client requirements.

The first full scale commercial water remediation plant using BGTTL's technology was launched in Mexico in January 2012, which enabled BGTTL to confirm the effectiveness of the technology. Plans for 2013 include completion and demonstration of proof of concept for one mine tailings project, and the completion of three water remediation plants by July 31, 2013 ("Phase 1") for which one contract has been signed and awaiting client financing on the remaining two. Once these projects are completed and proof of concept verified for the mine tailings project, BGTTL intends to begin production of three additional water remediation plants for the remaining signed contracts ("Phase 2"). BGTTL expects to start Phase 2 by August, 2013.

After completion of Phase 1 and Phase 2, management intends to conduct a strategic review of BGTTL's expression of interest list, from companies in Mexico and in South Africa ,and select those contracts that it wants to pursue for production in the remainder of 2013.

BGTTL's current business model is based on entering into long term agreements (plant installation and operating agreements) with clients pursuant to which BGTTL funds the capital costs of building and installing its treatment plants. Pursuant to a plant installation and operating agreement, the client pays BGTTL a negotiated dollar value per cubic meter of treated water with a negotiated guaranteed minimum number of cubic meters to be treated per annum.

HOLY CROSS PROPERTY

On September 26, 2006, the Company entered into a property purchase agreement with Aegean Marine Consultants Ltd. ("Aegean") pursuant to which the Company acquired a 100% interest in the Holy Cross mineral resource property located in the Omineca Mining Division of British Columbia, Canada, in consideration of a cash payment of $25,000 and issuance of 5,000,000 common shares of the Company with a value of $12,500.

The Holy Cross property is located in the Omineca Mining Division of north-central British Columbia, approximately 145 kilometres west of Prince George, BC and 33 kilometres south of the village of Fraser Lake between Bentzi Lake and Holy Cross Mountain. The property initially consisted of a single modified-grid mineral claim totaling 25 cells, or 477.545 hectares, located on National Topographic System map-sheet 093F15W centered at 53 degrees 47.5 minutes North Latitude and 124 degrees 58 minutes West Longitude. Additional claim cells were subsequently located to cover favourable ground and all cells were amalgamated into the current land base covering 2,005.5 hectares. The Company commissioned and received an independent technical report on the Property, in accordance with National Instrument 43-101 Standards of Disclosure for Mineral Projects ("NI 43-101"). The "Summary Report on the Holy Cross Property" dated May 22, 2007 and as Amended on September 5, 2007; October 10, 2007; April 23, 2008; October 24, 2010 and November 15, 2011 (the "Report") was prepared by J.W. (Bill) Morton, P.Geo. The Report and Amendments have been filed on the SEDAR website at www.sedar.com.

No exploration and evaluation expenses had been incurred on this property during the six months ended March 31, 2013.

Operating Results

Summary of Quarterly Results

The following table sets forth selected quarterly financial information for each of the last eight most recently completed quarters.

Quarter Ended	Accounting Principle Used	Total Revenue	Net Income (Loss) for the Period	Net (Loss) per Share - Basic and Diluted
31-Mar-13	IFRS	$ -	$ (184,785)	$ -
31-Dec-12	IFRS	-	(306,936)	(0.01)
30-Sep-12	IFRS	-	(402,881)	(0.01)
30-Jun-12	IFRS	-	(109,082)	(0.01)
31-Mar-12	IFRS	-	(86,063)	(0.01)
31-Dec-11	IFRS	-	(64,726)	-
30-Sep-11	IFRS	-	(20,856)	-
30-Jun-11	IFRS	-	(67,803)	-

As the Company is still in exploration stage, the Company has incurred loss since inception. Starting from the June 2012 quarter, the loss again increased significantly due to stock-based payments and the proposed acquisition of Blue Gold Group. The Company expects the loss will continue until the Company is successful in acquiring BGTTL and operates the new business with profit.

<u>For the Three Months Ended March 31, 2013</u>

The Company's net loss for the quarter was $184,785 compared to the loss of $86,063 for the same quarter of last year. The increase in loss of $98,722 was primarily due to the following:

a) Amortization of discount on notes receivable of $61,251 (2012 - $nil), the increase in credit was due to the amortization of discount arising from the non-interest bearing promissory notes issued to Blue Gold Group;

b) Accounting and administration were $38,755 (2012 - $15,270), an increase of $23,485 compared to same quarter of last year. The increase was mainly due to the acquisition activities;

c) Consulting fees were $7,000 (2012 - $41,159), a decrease of $34,159 compared to same quarter of last year;

d) Professional fees were $83,838 (2012 – $2,418), an increase of $81,420 compared to same quarter of last year. The increase was due to legal fees relating to the proposed amalgamation during the quarter;

e) Shareholder communication and promotion fees were $51,460 (2012 - $4,355), and travel expenses of $39,502 (2012 - $3,860) due to activities relating to the proposed amalgamation with BGTTL; and

f) Transfer agent and filing fees were $17,349 (2012 - $4,921), an increase of $12,428 was due to the amalgamation activities.

For the Six month Period Ended March 31, 2013

The Company's net loss for the period was $491,721 compared to the loss of $150,789 for the same period of last year. The increase in loss of $340,932 was primarily due to the following:

a) Amortization of discount on notes receivable of $77,509 (2012 - $nil) was due to the discount as result of promissory notes issued to Blue Gold Group without interest during the period;

b) Accounting and administration fees were $62,975 (2012 - $21,970), an increase of $41,005 compared to same period of last year. The increase was mainly due to the amalgamation activities;

c) Consulting fees were $37,000 (2012 - $62,121), a decrease of $25,121 compared to same period of last year;

d) Professional fees were $123,867 (2012 – $17,044), an increase of $106,823 compared to same period of last year. The increase was due to legal fees relating to the amalgamation;

e) Shareholder communication and promotion fees were $66,119 (2012 - $4,355), and travel expenses of $71,988 (2012 - $3,860) due to activities relating to the amalgamation with BGTTL; and

f) Transfer agent and filing fees were $30,781 (2012 - $15,939), an increase of $14,842 was due to amalgamation activities during the period.

FINANCIAL CONDITION, LIQUIDITY AND CAPITAL RESOURCES

During the six months ended March 31, 2013:

The Company completed a private placement of 9,250,253 units at $0.14 per unit for total proceeds of $1,295,036. Each unit consists of one common share and one-half of one transferable common share purchase warrant, with each whole warrant entitling the holder thereof to acquire on additional common share at a price of $0.18 per share for a period of two years. The Company paid finders' fees of $42,817 in cash and issued 169,050 finder's warrants. The finder's warrants were valued at a total of $24,739 using the Black-Scholes option pricing model with risk free interest rates of 1.09% per annum, expected stock price volatility of 144%, expected dividend yield of 0% and expected life of 2 years.

During the year ended September 30, 2012:

In February 2012, the Company completed a private placement of 8,000,000 units at $0.075 per unit for total proceeds of $600,000 in February 2012. Each unit consists of one common share and one transferable common share purchase warrant entitling the holder thereof to acquire one additional common share at a price of $0.10 per share for a period of five years.

From June 2012 to August 2012, the Company completed a private placement of 10,412,774 units at $0.14 per unit for total proceeds of $1,457,788 in three tranches. Each unit consists of one common share and one-half of one transferable common share purchase warrant, with each whole warrant entitling the holder thereof to acquire one additional common share at a price of $0.18 per share for a period of two years.

The Company paid finders' fees of $45,808 and issued 315,000 finders' warrants having the same terms as the private placement warrants. The finder's warrants were valued at a total of $36,701 using the Black-Scholes option pricing model with risk free interest rates of 0.99% to 1.20% per annum, expected stock price volatility of 143% to 151%, expected dividend yield of 0% and expected life of 2 years.

During the 2012 fiscal year, 3,100,000 warrants were exercised for proceeds of $155,000.

At March 31, 2013, the Company's working capital was $3,303,691 (September 30, 2012 - $2,718,400). As of the date of this MD&A, the Company has no outstanding commitments other than its commitment to complete its amalgamation with Blue Gold Tailings Technology Ltd., and has not pledged any of its assets as security for loans, or otherwise and is not subject to any debt covenants. The Company has sufficient working capital at this time to meet its ongoing financial obligations.

RELATED PARTY TRANSACTIONS

During the six months ended March 31, 2013, the Company had the following related party transactions:

(a) The following amounts due to related parties are included in accounts payable and accrued liabilities:

		Dec. 31, 2012		Sept. 30, 2012
Amount due to a private company controlled by John Morita, CFO	$	-	$	2,800
Amount due to Tom Kennedy, a director		200		3,647
	$	200	$	6,447

The amounts due from related parties are unsecured, non-interest bearing and have no fixed terms of repayment.

(b) Gross compensation of management personnel during the six months ended March 31, 2013 and 2012:

		2013		2012
Consulting fees paid to Tom Kennedy, a director	$	-	$	17,812
Financial consulting fees paid to a private company controlled by John Morita, CFO		12,900		7,800
	$	12,900	$	25,612

Key management personnel were not paid post-retirement benefits, termination benefits or other long-term benefits during the six months ended March 31, 2013 and 2012.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

CRITICAL ACCOUNTING ESTIMATES

Critical accounting estimates were used in the preparation of the financial statements. These estimates involve considerable judgment and are, or could be, affected by significant factors that are out of the Company's control. Please refer to note 2 to the interim consolidated financial statements.

ACCOUNTING POLICIES

Accounting Standards Issued But Not Yet Effective

The company is currently assessing the impact that the following Standards will have on its financial statements:

- IFRS 9 "Financial Instruments"
- IFRS 10 "Consolidated Financial Statements"
- IFRS 11 "Joint Arrangements"
- IFRS 12 "Disclosure of Interests in Other Entities"
- IFRS 13 "Fair Value Measurement"
- IFRIC 20 "Stripping costs in the Production Phase of a Surface Mine"
- IAS 1 "Presentation of Financial Statements"
- IAS 32 "Financial Instruments Presentation"

FINANCIAL RISH MANAGEMENT

For a detailed description of financial instruments and their associated risks, see Note 12 to the Company's condensed interim consolidated financial statements for the six months ended March 31, 2013.

BUSINESS RISK AND UNCERTAINTIES

Water Remediation and Tailings Processing

The success of the new business of water remediation and tailings processing depends on many factors such as increased competition; evolving business model; proprietary protection; infringement of third parties' rights; reliance on certain distributors; foreign operations; product liability; lengthy and complex sales cycle; product concentration; conflicts of interest; market for securities and volatility of share price; unlikely payment of dividends; management growth; government regulations; reliance on key personnel and consultants; additional financing requirements and access to capital; possible failure to realize anticipated benefits of the Amalgamation; operating history; and currency risk.

Mining

The Company, like all companies in the mining sector, is exposed to a variety of risks which include title to mining interests, the uncertainty of finding and acquiring reserves, funding and developing those reserves and finding storage and markets for them. In addition, there are commodity price fluctuations, interest and exchange rate changes and changes in government regulations. The mining industry is intensely competitive and the Company must compete against companies that have larger technical and financial resources. The Company works to mitigate these risks by evaluating opportunities for acceptable funding, considering farm-out opportunities that are available to the Company, operating in politically stable countries, aligning itself with joint venture partners with significant international experience and by employing highly skilled personnel. The mining industry is subject to extensive and varying environmental regulations imposed by governments relating to the protection of the environment and the Company is committed to operate safely and in an environmentally sensitive manner in all operations. Please also refer to Forward Looking Statements.

INVESTOR RELATIONS

The Company is currently managing investor relations internally.

EVENTS SUBSEQUENT TO MARCH 31, 2013

a) On May 7, 2013, the Company announced that it had completed the first tranche of a non-brokered private placement of 7,671,735 units at $0.14 per unit, raising a total of $1,074,043. Each unit consists of one common share and one-half of one transferable common share purchase warrant with each whole warrant entitling the holder thereof to acquire one additional common share at a price of $0.19 per share for a period of two years from closing of the offering. Finder's fees totalling $56,380 were paid and 56,000 finders' warrants with the same terms as the units were issued.

b) On May 13, 2013, the Company announced that it had completed the final tranche of a non-brokered private placement of 2,258,182 units at $0.14 per unit, raising a total of $316,145.42. Each unit consists of one common share and one-half of one transferable common share purchase warrant, with each whole warrant entitling the holder thereof to acquire one additional common share at a price of $0.19 per share for a period of two years from closing of the offering. Finder's fees totalling $19,328 were paid and 127,344 finders' warrants with the same terms as the units were issued.

c) On May 19, 2013, 2,699,000 warrants on a pre-consolidated basis were expired.

d) Effective May 21, 2013, the Company has changed its name to Blue Gold Water Technologies Ltd. and consolidated its commons shares on the basis of one new post-consolidation common shares for each two pre-consolidation common shares. As a result, the outstanding common shares of the Company were reduced to approximately 28,692,223.

e) The common shares of Blue Gold Water Technologies Ltd. begin trading on a consolidated basis on May 21, 2013 under the symbol BGO.

f) The Company advanced a further $350,000 to Blue Gold Group pursuant to two promissory notes with similar terms as described on Note 6 of the financial statements.

g) On May 24, 2013, the Company announced that it had completed the third tranche of a non-brokered private placement of 446,429 units (on a post-consolidated basis) at $0.28 per unit, raising a total of $466,429. Each unit consists of one common share and one-half of one transferable common share purchase warrant, with each whole warrant entitling the holder thereof to acquire one additional common share at a price of $0.38 per share for a period of two years from closing of the offering.

h) On May 27, 2013, the Company announced that it has granted incentive stock options to purchase a total of 950,000 common shares at an exercise price of $0.48 per share exercisable for 5 years from the date of grant to certain directors, officers and consultants of the Company in accordance with the provisions of its stock option plan.

OUTSTANDING SHARE DATA

As at the date of this MD&A, the following securities were outstanding on a post consolidation basis after giving effect of the share consolidation on May 21, 2013:

Common shares	–	29,138,659
Stock options	–	950,000
Warrants	–	11,955,150