GOWEST GOLD LTD.
MANAGEMENT DISCUSSION AND ANALYSIS
THREE AND SIX MONTHS ENDED APRIL 30, 2011

This management discussion and analysis ("MD&A") of results of operations and financial condition of Gowest Gold Ltd. ("Gowest" or the "Company") describes the operating and financial results of the Company for the three and six months ended April 30, 2011. The MD&A supplements, but does not form part of the financial statements of the Company and should be read in conjunction with Gowest's audited consolidated financial statements for the years ended October 31, 2010 and October 31, 2009. The Company prepares and files its financial statements in accordance with Canadian Generally Accepted Accounting Principles ("GAAP"). All amounts are stated in Canadian dollars unless otherwise noted and gold is measured in fine troy ounces ("ounces").

Forward-looking Statements

Some statements contained in this MD&A are forward-looking, and therefore involve uncertainties or risks that could cause actual results to differ materially. Factors that could cause the Company's actual results, performance or achievements to be materially different from those that may be expressed or implied by such forward-looking statements, including, but not limited to, risks and uncertainties such as those related to the nature of the mining industry, including risks related to development of mineral deposits, production costs and metal prices, exploration, development and operating risks, environmental and other regulatory requirements, international operations, water supply, new operation, production estimates, mineral reserves and resources, title matters, gold price volatility, competition, additional funding requirements, insurance, currency fluctuations, conflicts of interest, share trading volatility, and financial risks. Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward looking statements prove incorrect, actual results may vary materially from those described herein as intended, planned, anticipated, believed, estimated or expected.
The Company disclaims any obligation to update forward-looking statements.

Date of MD&A

This MD&A is dated June 29, 2011.

Description of the Business and Going Concern

On April 4, 2011, the name of the Company was changed from Gowest Amalgamated Resources Ltd. to Gowest Gold Ltd. On March 29, 2011, the shareholders of the Company approved the name change at the annual and special meeting of the shareholders.

Gowest, directly and from time to time through joint ventures is in the business of exploring mineral properties that it believes contain mineralization that is, or will, in the future, be economically recoverable. To date, the Company has not earned significant revenues from mineral exploration and is considered to be in the development stage, as defined by CICA Accounting Guideline 11.

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that planned exploration and development programs will result in profitable mining operations. The recoverability of the amount shown for mineral properties is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete exploration and development, and upon future profitable production or proceeds from dispositions of such properties. Changes in future conditions could require material write-downs of the carrying amounts of mineral properties.

Although the Company has taken steps to verify title to its mineral property interests, in accordance with industry standards for the current stage of exploration of such property, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements, aboriginal claims, and noncompliance with regulatory and environmental requirements. The Company's assets may also be subject to increases in taxes and royalties, renegotiation of contracts, currency exchange fluctuations and restrictions and political uncertainty.

The accompanying consolidated financial statements have been prepared in accordance with Canadian General Accepted Accounting Principles ("GAAP"), as applicable to a going concern, which contemplates the realization of its assets and the settlement of its liabilities in the normal course of operations.

In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period. The ability of the Company to continue operations is dependent upon obtaining the necessary financing to complete the development of a mineral property. Management is aware, in making its assessment, of material uncertainties related to events or conditions that may cast significant doubt upon the entity's ability to continue as a going concern, as described in the following paragraph. Accordingly, they do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and liquidate its liabilities and commitments in other than the normal course of business and at amounts different from those in the accompanying unaudited interim consolidated financial statements.

Outlook and Second Quarter Performance

On February 15, 2011, the Company announced an update on the winter drill program. The announcement indicated the completed drill holes encountered zones of significant mineralization demonstrating the excellent continuity of mineralization that exists throughout the Frankfield East deposit both along strike and at depth. The highlight of the latest group of drill holes was GW10-106 which intersected 4.7m of 13.4 grams (1/3 oz) per tonne Au. This hole was located near the eastern limits of the recently defined (2010 drill program) strike extensions at Frankfield East.

On February 17, 2011, the Company announced the implementation of a shareholder rights plan. The rights plan was designed, to the extent possible, to ensure the fair treatment of Gowest's shareholders in the event of a take-over bid and to provide Gowest's board of directors and its shareholders with adequate time to evaluate any such take-over bid and, if appropriate, to seek out alternatives to maximize shareholder value.

On March 2, 2011, the Company announced results from its deep drilling program on Frankfield East deposit. The results of the deep drilling clearly demonstrated the continuity of the mineralized horizon at the Frankfield East deposit from near surface down to a minimum of 920m. The zone remained opened at depth. Importantly, with only a few exceptions, after nearly 30,000m of drilling since January 2010 every hole drilled within the currently defined mineralized envelop had intersected gold. Drilling would continue in order to expand the deposit and to establish continuity both at depth and horizontally in areas previously tested with widely spaced holes.

On April 6, 2011, the Company announced that it had changed its name to Gowest Gold Ltd. to better reflect the Company's focus on gold exploration, development and acquisition. The Company also announced that it intended to acquire the mineral rights in respect of a 64 hectare property contiguous to the Company's existing land package in Tully Township, just north of the city of Timmins.

On April 21, 2011, the Company announced that it completed the previously announced acquisition of the mineral rights in respect of a 64 hectare property contiguous to the Company's existing land package in Tully Township.

On April 26, 2011, the Company announced that it entered into an Option and Joint Venture Agreement with Transition Metals Corp. to explore and earn an interest in an additional 3,400 hectares (34 square kilometres) in the Porcupine mining district. The majority of the property is located on the Pipestone Fault and along strike from the Company's developing Frankfield East deposit. The Company also announced that the Frankfield East deposit will be the subject of an updated resource estimate in the coming weeks and a conference call would be held in connection with the release of this estimate.

For the three month period ending April 30, 2011, the Company reported a net loss of $1,155,705 and an accumulated deficit, as at April 30, 2011, of $6,434,278. As at April 30, 2011, the Company had $1,670,727 in cash to fund the development program, exploration, and to meet contractual obligations of which approximately $1,000,000 will qualify for the flow-through commitments.

Subsequent to April 30, 2011, on June 1, 2011, the Company announced a significant increase in resources at its 100% owned Frankfield East Gold Deposit. The updated resource contains approximately 348,000 ounces of gold in the Indicated category (1,621,000 tonnes at a grade of 6.68 g/t Au) and 838,900 ounces of gold in the inferred category (4,342,000 tonnes at a grade of 6.01 g/t Au). The resource estimate has been completed by ACA Howe International Limited ("ACA Howe") and reported in accordance with Canadian Securities Administration National Instrument 43-101 ("NI 43-101") requirements and CIM Standards on Mineral Resources and Reserves. At the same time, the Company continues to be engaged in preliminary economic assessment activities with the view toward releasing a scoping study in mid 2011. The Company expects to complete its plan on drilling between 10,000 – 15,000 metres in the first half of 2011 followed by another 10,000 metres in the second half of 2011 to further expand the mineralized envelope at the Frankfield East deposit and to explore other undrilled high priority gold targets south of the Frankfield East deposit.

Involvement in Mineral Properties

On a quarterly basis, the management of the Company review exploration costs to ensure deferred expenditures include only costs and projects that are eligible for capitalization.

For a description of the mineral properties owned by the Company, refer to Note 7 of the audited consolidated financial statements as at October 31, 2010.

Share Capital

In November 2010, 2,397,857 warrants with an expiry date of November 11, 2010, were exercised for proceeds of $359,679 and 75,000 warrants expired.

On December 1, 2010, the Company issued 70,000 common shares valued at $18,200 of the Company for its acquisition of a 100% interest in the Dowe property.

On December 22, 2010, the Company completed a private placement for aggregate proceeds of $2,579,455. Pursuant to the Offering, the Company issued and sold 9,379,837 Flow-through common shares. Upon closing, the Agent received cash commissions of 7% of the gross proceeds of the Offering.

All of the securities issued in connection with the private placements were subject to a four month hold period in accordance with applicable securities laws

On April 18, 2011, the Company purchased a property in the Township of Tully for $10,333 and issued 25,000 common shares valued at $9,125 of the Company.

On April 25, 2011, the Company issued 100,000 common shares valued at $34,000 of the Company to earn an interest in the Pipestone property.

Stock Options

On November 3, 2010, the Company issued incentive stock options to consultants of the Company, totalling 250,000 options exercisable at $0.24 per common share with an expiry date of November 3, 2015. The fair value of the 250,000 was estimated to be $56,000 on the date of grant using the Black-Scholes option pricing model with the following assumptions: dividend yield of 0%; expected volatility of 161.21%; risk-free interest rate of 2.34% and an expected life of 5 years. For the three and six months ended April 30, 2011, the estimated value of $nil and $56,000, respectively was classified as stock option compensation on the statement of the operations and credited to stock options.

On November 22, 2010, the Company issued incentive stock options to an investor relations consultant of the Company, totalling 100,000 options exercisable at $0.50 per common share with an expiry date of November 22, 2013. The fair value of the 100,000 options was estimated to be $20,000 on the date of grant using the Black- Scholes option pricing model with the following assumptions: dividend yield of 0%; expected volatility of 179.35%; risk-free interest rate of 1.57% and an expected life of 3 years. For the three and six months ended April 30, 2011, the estimated value of $7,085 and $14,031, respectively was classified as stock option compensation on the statement of the operations and credited to stock options.

On February 22, 2011, the Company issued incentive stock options to an investor relations consultant of the Company, totalling 100,000 options exercisable at $0.50 per common share with an expiry date of February 11, 2014. The fair value of the 100,000 options was estimated to be $27,890 on the date of grant using the Black-Scholes option pricing model with the following assumptions: dividend yield of 0%; expected volatility of 175.82%; risk-free interest rate of 1.68% and an expected life of 3 years. . For the three and six months ended April 30, 2011, the estimated value of $14,526 was classified as stock option compensation on the statement of the operations and credited to stock options.

On February 25, 2011, the Company granted a total of 2,575,000 stock options to directors, officers and consultants of the Company at an exercise price of $0.325 per share, expiring on February 25, 2016. The fair value of the 2,575,000 options was estimated to be $787,435 on the date of grant using the Black-Scholes option pricing model with the following assumptions: dividend yield of 0%; expected volatility of 157.48%; risk-free interest rate of 2.33% and an expected life of 5 years. For the three and six months ended April 30, 2011, the estimated value of $787,435 was classified as stock option compensation on the statement of the operations and credited to stock options.

Warrants

During the first quarter ended January 31, 2011, 132,500 warrants with an expiry date of December 17, 2011 were exercised for cash proceeds of $39,750 and 75,000 warrants with an expiry date of November 11, 2011 expired unexercised.

During the second quarter ended April 30, 2011, 1,205,181 warrants with an expiry date of December 17, 2011, were exercised for cash proceeds of $361,554.

Subsequent Events

Subsequent to the quarter ended April 30, 2011, a total of 602,817 warrants with an expiry date of December 17, 2011, were exercised for cash proceeds of $180,845.

Subsequent to the second quarter ended April 30, 2011, a total of 658,317 compensation warrants with an expiry date of June 17, 2011, were exercised for cash proceeds of $118,497 and 658,317 warrants were issued with an exercise price of $0.30 and expiry date of December 17, 2011.

On June 1, 2011, the Company has granted director options to purchase up to 400,000 common shares of the Company at an exercise price of $0.36 per share, expiring on June 1, 2016.

Results of Operations

Three months ended April 30, 2011 compared with three months ended April 30, 2010

Gowest's operations for the three month period ended April 30, 2011 were focused on the Company's winter drilling program. The Company reported a net loss of $1,155,705 for the three month period ended April 30, 2011 compared with a net earnings of $523,916 in the prior year three month period ended April 30, 2010 and a net loss of $366,873 in the previous three month period ended January 31, 2011. The Company reported a comprehensive loss of $1,189,455 for the three month period ended April 30, 2011 compared with comprehensive earnings of $469,916 in the prior year three month period ended April 30, 2010 and a comprehensive loss of $393,873 in the previous three month period ended January 31, 2011.

The relative change in the comprehensive loss for the year-over-year period of $1,679,621 was primarily due to: i) Future income taxes recovered of $nil as compared to $1,401,743 in the prior year period; ii) higher general and administrative expenses of $264,329 as compared to $148,579 in the prior year period, the increase reflecting the Company's increase in consulting fees and shareholder communications as compared to the prior year period; iii) stock based compensation of $809,043 as compared to $708,079 in the prior year period, with the increase reflecting the fair value of stock options granted during the period; iv) investor relations expenses of $38,159 as compared to $nil in the prior year period representing the Company's focus on investor communications.

Six Months ended April 30, 2011 compared with six months ended April 30, 2010

The Company reported a net loss of $1,522,578 for the six month period ended April 30, 2011 compared with a net earnings of $484,347 in the prior year six month period ended April 30, 2010. The Company reported a comprehensive loss of $1,583,328 for the six month period ended April 30, 2011 compared with comprehensive earnings of $437,847 in the prior year six month period ended April 30, 2010.

The relative change in the earnings for the year-over-year period of $2,006,925 was primarily due to; i) future income tax recovery of $nil in the current year period as compared to the recognizing of $1,401,743 in future income taxes recovered due to the foregone tax benefit upon renouncement of the flow through share agreements in the prior year period; ii) general and administrative expenses of $473,773 in the current year period as compared to $279,209 in the prior year period; iii) $871,989 in stock based compensation expenses as compared to $708,079 in the prior year period; iv) $108,491 in public company and investor relations expenses as compared to $61,491 in the prior year period; v) professional fees of $74,124 as compared to $30,856 in the prior year period; and other income of $nil in the current year period as compared to $148,317 in the prior year period.

Gowest's cash position as at April 30, 2011 was $1,670,727 compared with $2,701,045 as at January 31, 2011 and $4,492,759 as at April 30, 2010.

Summary of Quarterly Results

The following tables set out financial performance highlights for the last eight quarters and were prepared in accordance with Canadian GAAP:

	Second Quarter April 30, 2011	**First Quarter January 31, 2011**	**Fourth Quarter October 31, 2010**	**Third Quarter July 31, 2010**
	$	$	$	$
Expenses	1,161,504	366,873	292,969	327,123
Net (loss) from operations	(1,161,504)	(366,873)	(292,969)	(327,123)
Interest income	5,799	-	5,126	7,117
Other income / (loss)	-	-	-	(6,300)
Future income taxes recovered	-	-	(1,008,850)	-
Net (loss)	(1,155,705)	(366,873)	(1,296,693)	(326,306)
Net (loss) per share, basic	(0.01)	(0.00)	(0.02)	(0.00)
Comprehensive (loss)	(1,189,455)	(393,873)	(1,241,193)	(411,056)
Cash flow (used in) operations	(77,484)	(425,654)	(354,974)	(335,924)
Cash & cash equivalents, end of period	1,670,727	2,701,045	2,670,902	3,220,069
Assets	10,637,045	10,298,620	8,531,907	7,724,774
Future tax liabilities	1,295,864	651,000	651,000	-

	Second Quarter April 30, 2010	**First Quarter January 31, 2010**	**Fourth Quarter October 31, 2009**	**Third Quarter July 31, 2009**
	$	$	$	$
Expenses	903,112	176,523	153,767	365,336
Net (loss) from operations	(903,112)	(176,523)	(153,767)	(365,336)
Write-down of mineral properties	8,978	-	(208,816)	-

Interest income	16,307	4,944	-	-
Other income	1,401,743	132,010	-	-
Net (loss)	523,916	(39,569)	(362,583)	(365,336)
Net (loss) per share, basic	0.01	(0.00)	(0.01)	(0.01)
Comprehensive income / (loss)	469,916	(32,069)	-	-
Cash flow from (used in) operations	(342,701)	192,065	(149,410)	(172,046)
Cash & cash equivalents, end of period	4,492,759	5,795,194	186,451	445,200
Assets	8,090,157	8,387,099	2,151,495	2,541,217
Future tax liabilities	-	1,401,743	-	-

Summary of Yearly Results

The following tables were prepared in accordance with Canadian GAAP:

	2010	2009	2008
	$	$	$
Revenues	26,165	-	18,540
Expenses	1,699,727	628,931	416,502
Net loss from operations	(1,673,562)	(628,931)	(397,962)
Write-down of mineral properties	-	(208,816)	(1,111,146)
Other income	142,017	-	69,141
Future income taxes recovered	(392,893)	-	254,861
Net income / (loss)	(1,138,652)	(837,747)	(1,185,106)
Net income (loss) per share, basic and diluted	(0.01)	(0.02)	(0.05)
Cash flow from (used in) operations	(841,534)	(431,284)	(377,441)
Cash & cash equivalents, end of period	2,670,902	186,451	363,357
Assets	8,531,907	2,151,495	1,376,765
Long term liabilities	-	-	-
Future tax liabilities	651,000	-	-

Liquidity and Capital Resources

The activities of the Company, which are primarily the acquisition, exploration and development of mineral properties that it believes contain mineralization are financed through the completion of equity transactions such as equity offerings and the exercise of stock options and warrants. There is no assurance that equity capital will be available to the Company in the required amounts, with acceptable terms or at the time required. See "Risk Considerations" below.

As at April 30, 2011, Gowest reported working capital of $1,558,659 ($2,847,947 as at January 31, 2011; $ 4,412,451 at April 30, 2010).

The Company reported a cash position of $1,670,727 as at April 30, 2011 ($2,701,045 as at January 31, 2011; $4,492,759 as at April 30, 2010).

Cash used in operating activities was $77,484 and cash used in investing activities was $1,323,388 for the three month period ended April 30, 2011, with cash used in operating activities of $503,138 and cash used in investing activities of $3,617,829 for the six month period ended April 30, 2011 reflecting the mineral exploration and development expenditures.

Cash provided by financing activities was $370,554 and $3,120,792 for the three and six month period ended April 30, 2011 reflecting the net proceeds from the private placement and the exercise of warrants.

Commitments

Flow-through common shares require the Company to pay an amount equivalent to the proceeds of the issue on prescribed resource expenditures. If the Company does not incur the committed resource expenditures, it will be required to indemnify the holders of the shares for any tax and other costs payable by them as a result of the Company not making the required resource expenditures. As at April 30, 2011, the Company's remaining commitment with respect to unspent resource expenditures under flow-through common share agreements is approximately $1,000,000. The Company intends to fulfill all flow-through commitments and has until December 31, 2011 to spend these funds.

The Company is committed to minimum amounts under an operating lease agreement, which expires September 29, 2013. Minimum commitments remaining under this lease were approximately $52,000 including $18,000 due within one year.

Based on assumptions about future business development, revenues and costs, the Company may require additional equity financing for growth, which it believes it will be able to obtain through a combination of the exercise of existing options and warrants for the purchase of common shares and issue of new equity or debt instruments depending the Company’s requirements and market conditions.

Gowest currently does not have any credit facilities with financial institutions and is not anticipating a profit from operations, therefore it will rely on its ability to obtain equity financing for growth.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Transactions with Related Parties

During the three and six months ended April 30, 2011, the Company paid an officer for consulting services in the amount of $24,000 and $44,000 respectively (three and six months ended April 30, 2010 - $9,000 and $16,000)

These related party transactions are in the normal course of operations and are measured at the rate of consideration established and agreed to by the related parties.

Under the Offering that closed on December 22, 2010, a director and two officers of the Company subscribed for a total of 586,000 flow-through common shares.

Proposed Transactions

There are no material decisions by the board of directors of the Company with respect to any imminent or proposed transactions that have not been disclosed.

Critical Accounting Estimates

Critical accounting estimates represent estimates that are highly uncertain and for which changes in those estimates could materially impact the financial statements. The following accounting estimates are critical: the measurement of deferred income tax assets and liabilities and assessment of the need to record valuation allowances against those assets; valuation of options; and capitalized mining costs.

Costs relating to the acquisition, exploration and development of non-producing resource properties are capitalized until such time as either economically recoverable reserves are established or the properties are sold or abandoned. Based on the results at the conclusion of each phase of an exploration program, management re-evaluates properties that are not suitable as prospects to determine if future exploration is warranted, and that carrying values are appropriate. The decision to capitalize exploration expenditures and the timing of the recognition that capitalized exploration is unlikely to have future economic benefits can materially affect the reported earnings of the Company.

Change in Accounting Policy

Future accounting changes

International Financial Reporting Standards ("IFRS")

The Canadian Accounting Standards Board has confirmed that IFRS will replace current Canadian GAAP for publicly accountable enterprises, effective for fiscal years beginning on or after January 1, 2011.

Accordingly, the Company will report interim and annual financial statements (with comparatives) in accordance with IFRS beginning with the quarter ended January 31, 2012.

IFRS Transition Plan

The Company has established a comprehensive IFRS transition plan and engaged third-party advisers to assist with the planning and implementation of its transition to IFRS. The following summarizes the Company's progress and expectations with respect to its IFRS transition plan:

Initial analysis of key areas for which changes to accounting policies may be required	Complete
Detailed analysis of all relevant IFRS requirements and identification of areas requiring accounting policy changes or those with accounting policy alternatives	Complete
Assessment of first-time adoption (IFRS 1) requirements and alternatives	Complete
Final determination of changes to accounting policies and choices to be made with respect to first-time adoption alternatives	In progress, completion expected during Q3 2011
Resolution of the accounting policy change implications on information technology, internal controls and contractual arrangements	In progress, completion expected during Q3 2011
Management and employee education and training	Throughout the transition process
Quantification of the Financial Statement impact of changes in accounting policies	Throughout fiscal 2011

First-time adoption of IFRS

The adoption of IFRS requires the application of IFRS 1 *First-time Adoption of International Financial Reporting Standards* ("IFRS 1"), which provides guidance for an entity's initial adoption of IFRS. IFRS 1 generally requires retrospective application of IFRS, effective at the end of its first annual IFRS reporting period. However, IFRS 1 also provides certain optional exemptions and mandatory exceptions to this retrospective treatment.

The Company has identified the following optional exemptions that it expects to apply in its preparation of an opening IFRS statement of financial position as at November 1, 2010, its transition date:

- To apply IFRS 2 *Share-based Payments* only to equity instruments issued after November 7, 2002, and that had not vested by the transition date.
- To apply IFRS 3 *Business Combinations* prospectively from the transition date, therefore not restating business combinations that took place prior to the transition date.
- To apply the transition provisions of IFRIC 4 *Determining whether an Arrangement Contains a Lease*, therefore determining if arrangements existing at the transition date contain a lease based on the circumstances existing at that date.

Prior to reporting interim financial statements in accordance with IFRS for the quarter ending January 31, 2012, the Company may decide to apply other optional exemptions contained in IFRS 1.

IFRS 1 does not permit changes to estimates that have been made previously. Accordingly, estimates used in the preparation of the Company's opening IFRS statement of financial position as at the transition date will be consistent with those made under current Canadian GAAP. If necessary, estimates will be adjusted to reflect any difference in accounting policy.

Impact of Adopting IFRS on the Company's Financial Statements

The adoption of IFRS will result in some changes to the Company's accounting policies that are applied in the recognition, measurement and disclosure of balances and transactions in its financial statements.

The following provides a summary of the Company's evaluation to date of potential changes to its accounting policies in key areas based on the current standards and guidance within IFRS. This is not intended to be a complete list of areas where the adoption of IFRS will require a change in accounting policies, but to highlight the areas the Company has identified as having the most potential for a significant change. The International Accounting Standards Board has a number of ongoing projects, the outcome of which may have an effect on the changes required to the Company's accounting policies on adoption of IFRS. At the present time, however, the Company is not aware of any significant expected changes prior to its adoption of IFRS that would affect the summary provided below.

1) *Exploration and Evaluation Expenditures*

Subject to certain conditions, IFRS currently allows an entity to determine an accounting policy that specifies the treatment of costs related to the exploration for and evaluation of mineral properties. The Company will make a final determination of its policy in this area during Phase 2.

The application of this policy on the adoption of IFRS would have a significant impact on the Company's financial statements. On adoption of IFRS, the carrying value of the mineral resource properties would be reduced to zero (as at the transition date), with a corresponding adjustment to accumulated deficit. All subsequent exploration and evaluation costs will then be expensed as incurred until such time as it has been determined that a property has economically recoverable reserves.

2) *Impairment of (Non-financial) Assets*

IFRS requires a write-down of assets if the higher of the fair market value and the value in use of a group of assets is less than its carrying value. Value in use is determined using discounted estimated future cash flows. Current Canadian GAAP requires a write-down to estimated fair value only if the undiscounted estimated future cash flows of a group of assets are less than its carrying value.

The Company's accounting policies related to impairment of non-financial assets will be changed to reflect these differences. However, the Company does not expect that this change will have an immediate impact on the carrying value of its assets. The Company will perform impairment assessments in accordance with IFRS at the transition date.

3) *Share-based Payments*

In certain circumstances, IFRS requires a different measurement of stock-based compensation related to stock options than current Canadian GAAP.

The Company does not expect any changes to its accounting policies related to share-based payments that would result in a significant change to line items within its financial statements.

4) *Asset Retirement Obligations (Decommissioning Liabilities)*

IFRS requires the recognition of a decommissioning liability for legal or constructive obligations, while current Canadian GAAP only requires the recognition of such liabilities for legal obligations. A constructive obligation exists when an entity has created reasonable expectations that it will take certain actions.

The Company's accounting policies related to decommissioning liabilities will be changed to reflect these differences. However, the Company does not expect this change will have an immediate impact on the carrying value of its assets.

5) *Property and Equipment*

IFRS contains different guidance related to recognition and measurement of property and equipment than current Canadian GAAP.

The Company does not expect any changes to its accounting policies related to property and equipment that would result in a significant change to line items within its financial statements.

6) *Income Taxes*

In certain circumstances, IFRS contains different requirements related to recognition and measurement of future (deferred) income taxes.

The Company does not expect any changes to its accounting policies related to income taxes that would result in a significant change to line items within its financial statements.

Subsequent Disclosures

Further disclosures of the IFRS transition process are expected as follows:

The Company’s MD&A for the 2011 interim periods and the year ended October 31, 2011, will include updates on the progress of the transition plan, and, to the extent known, further information regarding the impact of adopting IFRS on key line items in the annual financial statements.

The Company's first financial statements prepared in accordance with IFRS will be the interim financial statements for the three months ending January 31, 2012, which will include notes disclosing transitional information and disclosure of new accounting policies under IFRS. The interim financial statements for the three months ending January 31, 2012, will also include 2011 financial statements for the comparative period adjusted to comply with IFRS, and the Company’s transition date IFRS statement of financial position (at November 1, 2010).

Business Combinations, Consolidated Financial Statements and Non-Controlling Interests

The CICA issued three new accounting standards in January 2009: Section 1582, Business Combinations, Section 1601, Consolidated Financial Statements and Section 1602, Non-Controlling interests. These new standards will be effective for fiscal years beginning on or after January 1, 2011. The Company is in the process of evaluating the requirements of the new standards.

Sections 1582 replaces section 1581 and establishes standards for the accounting for a business combination. It provides the Canadian equivalent to IFRS 3 - Business Combinations. The section applies prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after January 1, 2011. Sections 1601 and 1602 together replace section 1600, Consolidated Financial Statements. Section 1601 establishes standards for the preparation of consolidated financial statements. Section 1601 applies to interim and annual consolidated financial statements relating to fiscal years beginning on or after January 1, 2011. Section 1602 establishes standards for accounting for a non-controlling interest in a subsidiary in consolidated financial statements subsequent to a business combination. It is equivalent to the corresponding provisions of

IFRS IAS 27-Consolidated and Separate Financial Statements and applies to interim and annual consolidated financial statements relating to fiscal years beginning on or after January 1, 2011.

Capital Management

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of mineral properties. The Board of Directors does not establish a quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

The properties in which the Company currently has an interest are in the exploration stage; as such the Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed.

The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

There were no changes in the Company's approach to capital management during the three and six month periods ended April 30, 2011. Neither the Company nor its subsidiaries are subject to externally imposed capital requirements.

RISK CONSIDERATIONS

Gowest’s business of exploring for mineral resources involves a variety of operational, financial and regulatory risks that are typical in the natural resource industry. The Company attempts to mitigate these risks and minimize their effects on its financial performance, but there is no guarantee that the Company will be profitable in the future, and Gowest common shares should be considered speculative.

Financial Risk Factors

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit risk

Credit risk is the risk of loss associated with a counter-party’s inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to accounts receivable. Financial instruments included in accounts receivable consist of goods and services tax due from the Federal Government of Canada and receivables from joint venture partners. Management believes that the credit risk concentration with respect to financial instruments included in accounts receivable is remote.

Liquidity risk

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they come due. The Company’s liquidity and operating results may be adversely affected if the Company’s access to the capital market is hindered, whether as a result of a downturn in stock market conditions generally or related to matters specific to the Company. The Company generates cash flow primarily from its financing activities. As at April 30, 2011, the Company has cash and cash equivalents of $1,670,727 (April 30, 2010 - $4,492,759), amounts receivable of $386,747 (April 30, 2010 - $98,886) and prepaids of $32,107 (April 30, 2010 - $38,846) to settle current liabilities of $530,922 (April 30, 2010 - $218,040). The Company regularly evaluates its cash position to ensure preservation and security of capital as well as maintenance of liquidity.

The Company is also committed to incurring approximately $1,000,000 in Canadian exploration expenditures by December 31, 2011 as a result of its flow-through financings. The Company intends to fulfill all flow-through commitments.

All of the Company's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms.

The Company will continue to review its ongoing financial requirements to meet continued exploration and development plans.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

(a) Interest rate risk: Interest rate risk is the impact that changes in interest rates could have on the Company’s earnings and assets. In the normal course of business, the Company is exposed to prime interest rate fluctuations as a result of cash equivalents being invested in interest-bearing instruments. The Company’s current policy is to invest excess cash in investment-grade deposit certificates issued by its banking institution. The Company periodically monitors the investments it makes and is satisfied with the creditworthiness of its Canadian chartered banks. Management believes that interest rate risk is remote as investments have maturities of three months or less and the Company currently does not carry interest bearing debt at floating rates.

(b) Foreign currency risk: The Company's functional currency is the Canadian dollar and major purchases are transacted in Canadian dollars. As a result, the Company's exposure to foreign currency risk is remote.

(c) Price risk: The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices, as it relates to gold, individual equity movements and the stock market to determine the appropriate course of action to be taken by the Company. The Company’s investment in Crown Minerals Inc. (“Crown Minerals”) is subject to fair value fluctuations arising from changes in the equity and commodity markets.

Sensitivity analysis

The Company has designated its cash as held-for-trading, which is measured at fair value. Marketable securities are classified as available-for-sale, which are measured at fair value. Accounts receivable are classified as loans and receivables, which are measured at amortized cost. Accounts payable and accrued liabilities are classified as other financial liabilities, which are measured at amortized cost.

As at April 30, 2011, the carrying and fair value amounts of the Company's financial instruments are the same.

Based on management's knowledge of and experience with the financial markets, the Company believes the following movements are "reasonably possible" over a three month period:

(i) The Company's cash equivalents are subject to a fixed interest rate at maturity. Management believes interest rate risk is minimal.

(ii) The Company's long-term investments amounting to $69,750 are subject to fair value fluctuations. As at April 30, 2011, if the fair value of the Company's long-term investments had decreased/increased by 10% with all other variables held constant, comprehensive loss for the six months ended April 30, 2011 would have been approximately $6,975 higher/lower. Similarly, as at April 30, 2011, reported shareholders' equity would have been approximately $6,975 lower/higher as a result of the 10% decrease/increase in the fair value of the Company's long-term investments.

The Company does not hold significant balances in foreign currencies to give rise to exposure to foreign exchange risk.

Commodity price risk is remote since the Company is not a producing entity.

MINERAL PROPERTIES

On a quarterly basis, the management of the Company reviews exploration costs to ensure deferred expenditures include only costs and projects that are eligible for capitalization

For a description of the mineral properties owned by the Company, refer to Note 7 of the audited consolidated financial statements as at October 31, 2010. Specific changes to mineral properties that occurred from November 1, 2010 to April 30, 2011 are as follows:

On December 1, 2010, the Company announced the completion of its acquisition of a 100% interest in the Dowe property in Tully Township adjacent to the Company's 100% owned Frankfield Gold Project. To complete the transaction, the Company paid $16,000 in cash, issued 70,000 common shares (valued at $18,200) of the Company and negotiated a 0.50% royalty at gold prices of less than US$950 per ounce or 0.75% royalty at gold prices equal to or greater than US$950 per ounce. The Company maintains an NSR buyout option valued at $125,000 for each 0.25% of the desired NSR.

On January 6, 2011, the option agreement the Company entered into with Crown Minerals on November 20, 2009 to acquire 100% interest in 5 patented claims in Whitney Township was terminated and the ownership reverted back to the Company.

On April 26, 2011, the Company announced that it has entered into an Option and Joint Venture Agreement (the "Option Agreement") with Transition Metals Corp ("TMC") to explore and earn an interest in an additional 3400 hectares in Porcupine mining district (the "Pipestone Property"). The Company can earn an initial 60% interest in and to the Pipestone Property by expending $1,000,000 on the property over a period of three years. The Company is also required to pay $100,000 cash ($50,000 immediately and $50,000 within 12 months) and to issue 400,000 common shares (100,000 immediately and 300,000 within three years) to TMC in order to acquire the initial interest. Upon earning an initial 60% interest in the Pipestone Property, Gowest may elect to earn an additional 15% interest in the Pipestone Property (bringing the total interest to 75%) by issuing to TMC an additional 150,000 common shares and expending an additional $2,000,000 on the Pipestone Property over a period of two years. Upon earning either a 60% or 75% interest, as applicable, a joint venture will automatically be formed between Gowest and TMC, pursuant to which the companies will continue to explore and develop the Pipestone Property as warranted. Should either party's joint venture interest be diluted below 10%, its interest will be converted to a 2% Net Smelter Royalty. In accordance to the terms of the Option Agreement, the Company paid $50,000 in cash and issued 100,000 common shares (valued at $34,000) of the Company during the quarter ended April 30, 2011.

During the quarter ended April 30, 2011, the Company purchased a property in the Township of Tully for $10,333 and issued 25,000 shares (valued at $9,125) of the Company.

Disclosure Controls and Procedures

Disclosure controls and procedures are designed to provide reasonable assurance that all relevant information is gathered and reported to senior management, including the Company's President and Chief Executive Officer and Chief Financial Officer, on a timely basis so that appropriate decisions can be made regarding public disclosure.

As at April 30, 2011, Gowest management, with the participation of the President and Chief Executive Officer and the Chief Financial Officer, evaluated the effectiveness of the Company's disclosure controls and procedures as required by Canadian securities laws. Based on that evaluation, the President and Chief Executive Officer and the Chief Financial Officer have concluded that, as of the end of the period covered by this management's discussion and analysis, the disclosure controls and procedures were effective to provide reasonable assurance that material information required to be disclosed in the Company's annual filings and interim filings (as such terms are defined under Multilateral Instrument 52-109 – Certification of Disclosure in Issuers' Annual and Interim Filings) and other reports filed or submitted under Canadian securities laws is recorded, processed, summarized and reported within the time periods specified by those laws and that material information is accumulated and communicated to management of the Company, including the President and Chief Executive Officer and the Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

Internal Control Over Financial Reporting

Management of the Company is responsible for designing internal control over financial reporting or causing it to be designed under their supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes in accordance with Canadian GAAP.

There are inherent weaknesses in the systems of internal control due to the small size of the company and its inability to segregate incompatible functions. The Company plans to remediate this weakness by expanding the number of individuals involved in the accounting function as the company incurs future growth.

Additional Disclosure for Venture Issuers without Significant Revenue

According to Gowest's Consolidated Mineral Properties and Deferred Expenditures as at April 30, 2011, accumulated costs related the Company's interest in mineral properties owned, leased, under consideration to be acquired or under option, were as follows:

	Acquisition cost	Deferred exploration	**April 30, 2011 Net book value**	October 31, 2010 Net book value
Frankfield Joint Venture, Ontario	1,225,000	6,962,957	**8,187,957**	5,409,792
Dowe Property, Ontario	34,200	-	**34,200**	-
Pipestone Property, Ontario	84,000	-	**84,000**	-
Tully Property, Ontario	19,458	16,660	**36,118**	-
	$ 1,379,458	$ 6,979,617	**$ 8,342,275**	$ 5,409,792

(For further detail, refer to Note 7 to the "Consolidated Statement of Mineral Properties" section of the Company's audited consolidated financial statements for the year ended October 31, 2010.)

Disclosure of Outstanding Share Data

Gowest shares are traded on the TSX Venture Exchange under the symbol GWA. As at April 30, 2011, there were: 97,611,286 common shares outstanding, 8,460,000 stock options outstanding with a weighted average exercise price of $0.26, expiring from 2011 to 2016 and 22,737,407 warrants outstanding with a weighted average exercise price of $0.30 expiring from June 2011 to December 2011.

Additional Information

Additional information relating to the Company is available on the Internet at the SEDAR website located at www.sedar.com and at http://www.gowestgold.com/index.html.