BC FORM 51-901F

QUARTERLY REPORT

Incorporated as part of:		**Schedule A**
	X	**Schedules C – MD&A**

ISSUER DETAILS:

Name of Issuer	**ORKO GOLD CORP.**
For Quarter Ended	July 31, 2004
Date of Report	September 15, 2004
Issuer Address	2610 – 1066 West Hastings Street Vancouver, BC V6E 3X2
Issuer Fax Number	(604) 684-4601
Issuer Telephone Number	(604) 684-4691
Contact Name	Gary Cope
Contact Position	Director
Contact Telephone Number	(604) 684-4691
Contact Email Address	N/A
Web Site Address	N/A

CERTIFICATE

THE THREE SCHEDULES REQUIRED TO COMPLETE THIS REPORT ARE ATTACHED AND THE DISCLOSURE CONTAINED THEREIN HAS BEEN APPROVED BY THE BOARD OF DIRECTORS. A COPY OF THIS REPORT WILL BE PROVIDED TO ANY SHAREHOLDER WHO REQUESTS IT.

Gary Cope	*"Gary Cope"*	2004/09/15
Name of Director	*Sign (typed)*	Date Signed (YY/MM/DD)

Ross Wilmot	*"Ross Wilmot"*	2004/09/15
Name of Director	*Sign (typed)*	Date Signed (YY/MM/DD)

SCHEDULE C: MANAGEMENT DISCUSSION AND ANALYSIS FOR THE THREE AND NINE MONTH PERIODS ENDED JULY 31, 2004 AND JULY 31, 2003

(Dated September 15, 2004)

DESCRIPTION OF BUSINESS

In 2002, the Company had identified a property in Northern Ontario and had negotiated a 60 % interest in exchange for a cash payment of $35,000 and the issuance of up to 300,000 shares, 100,000 shares upon Exchange approval, 100,000 shares upon Exchange acceptance of a report recommending a stage 2 work program and a final 100,000 shares upon acceptance of a further stage of drilling or commercial production. The Company was also committed to incur exploration expenditures of $250,000 before April 30, 2003 and an additional $250,000 by December 31, 2003. The property was comprised of 5,200 acres located in the Dome, Heyson and Fairlie Townships in Red Lake, Ontario. On December 31, 2002, subsequent to the fiscal year end, the Company completed a private placement to partially finance its participation in this project. The Company issued 380,000 flow-through units and 1,247,000 non flow-through units, all at a price of $0.25 per unit, which provided $365,075 net of financing costs to the Company. Each unit consisted of one common share and one full warrant to purchase another common share for additional consideration of $0.275 per share for a period of one year.

In the third quarter ended July 31, 2003, the drilling program was completed on the Red Lake property and a final report was received summarizing all of the results. The total costs incurred amounted to $273,976. The program did not find any definable reserves, but some encouraging intersections were encountered. Management reviewed the report and recommendations early this year engaged an independent professional geologist to provide a review assessment of the results. He reported that no further work should be done on this property, and management decided subsequently not to proceed with any further work on this property. All costs were written off in the first quarter.

On December 1, 2003, the Company announced that it had entered into a joint venture with Minas Sanluis S.A. de C.V., a subsidiary of Wheaton River Minerals Ltd., with Luisman, S.A. de C.V., and with Minera Thesalia, S.A. de C.V. to acquire an interest in the La Preciosa gold/silver project located in the State of Durango, Mexico. Under the terms of the agreement, Orko can earn a 51 per cent interest in the project by incurring US$1 million in exploration and development expenditures over the next five years. The Company will also issue 50,000 common shares to Minas Sanluis upon TSX Venture Exchange approval, and a further 50,000 common shares 12 months following the acceptance date.

The La Preciosa project hosts tertiary-aged gold and silver bearing epithermal quartz vein systems, associated with barite and minor quantities of base metals. The vein trend is principally north/south, although there are subordinate, mineralized vein systems that run in an east/west direction. These east/west veins typically average 2.5 meters in width and yield higher gold values. The La Preciosa claims cover over 1,300 hectares and are located about an hour and a half from the city of Durango, Durango State, Mexico.

On June 21, 2004, the Company announced that it had acquired another option for a 51% participation in a second property, “Santa Monica” from Wheaton River through its subsidiary, Minas de Sanluis S.A. de C.V. The terms of the option are similar to those for its first option with Wheaton River on the La Preciosa property. The Company is required to make expenditures of US$1 million over the next five years and to issue 100,000 common shares, the first 50,000 shares upon acceptance by the TSX Venture Exchange and the remaining 50,000 after one year from the date of approval.

The “Santa Monica” property covers 16,000 hectares and is located in the Municipality of Panuco de Coronado, Durango State, Mexico, and is adjacent to the La Preciosa property.

<u>Results of Operations for the three-month periods ended July 31, 2004 and 2003:</u>

For the third quarter ended July 31, 2004, the Company incurred general costs aggregating $63,311, which is approximately double the level incurred in the comparable period of 2003 of $29,730. The higher costs reflect higher consulting fees of $17,500 compared with $10,500 incurred in 2003, management fees of $20,200 up from $5,400, higher office costs of $8,036 versus $3,414 and higher travel costs of $8,208 compared to $3,685 in the prior comparable period. The higher management fees reflect the engagement of the current president while the higher consulting, office and travel costs have resulted from greater activity in the current quarter.

Also in the third quarter of this year, the Company incurred initial exploration costs of $4,705 on its new property, down significantly from the much higher expenditures incurred in the comparable quarter of 2003 amounting to $97,012, when the work on the Ontario-based Red Lake property was underway.

And as a result of changes to accounting requirements from the prior year mandated, which the Company adopted for its 2003 fiscal year, an expense for the value of options granted to staff and consultants amounting to $5,313 was recorded for the quarter. No comparable expense was incurred in the comparable period of 2003.

Overall, the Company incurred a loss for the third quarter of 2004 of $73,218 or $0.004 per share. For the comparable quarter in 2003, the higher exploration costs caused a higher loss for the period of $124,712 or $0.01 per share.

Results of Operations for the nine-month periods ended July 31, 2004 and 2003:

For the nine months ended July 31, 2004, the Company incurred general costs aggregating $247,421, which is approximately 38 per cent higher than the comparable costs of $179,821 incurred for the first nine months of 2003. As was the case in the third quarter, the higher costs reflect higher management fees of $73,500, up from $32,800, higher consulting fees of $48,375 versus $34,550 incurred in the first nine months of 2003. Other costs were comparable to those incurred in the prior period. The higher management fees reflect the costs of additional staff, while increased activity resulted in higher costs overall.

The Company incurred initial exploration costs of $8,278, down significantly from the much higher expenditures incurred in the comparable period of 2003 of $273,909 on the Red Lake property. In addition, the Company wrote off its remaining Red Lake property costs amounting to $66,000 in the first quarter, and recorded an expense for the value of options granted to staff and consultants amounting to $13,617 for the nine months of this year. No comparable compensation expense was incurred in the same period in 2003. Early in 2003, the Company sold some of its share investments and realized a gain of $109,434, which served to somewhat offset the higher exploration expenditures in that year.

Overall, for the nine months ended July 31, 2004, the Company incurred a loss of $333,996 or $0.02 per share, whereas for the comparable nine months of 2003, the loss for the period was $344,000 or $0.03 per share.

Selected annual financial information:

	For the year ended October 31, 2003	**For the year ended October 31, 2002**	**For the year ended October 31, 2001**
Total revenues	Nil	Nil	Nil
Loss before discontinued operations and extraordinary items:			
(i) total for the year	465,402	423,369	368,136
(ii) per share	0.04	0.04	0.04
(iii) per share fully diluted	0.04	0.04	0.04
Net income or loss:			
(i) total for the year	465,402	423,369	368,136
(ii) per share	0.04	0.04	0.04
(iii) per share fully diluted	0.04	0.04	0.04
Total assets	346,224	137,114	505,053
Total long-term financial liabilities	Nil	Nil	Nil
Cash dividends declared per-share	Nil	Nil	Nil

Selected quarterly financial information:

	4th Quarter Ended October 31, 2004	3rd Quarter Ended July, 2004	2nd Quarter Ended April 30, 2004	1st Quarter Ended January 31, 2004
(a) Revenue		Nil	Nil	Nil
(b) Loss for period		73,218	96,742	164,037
(c) Loss per share		0.004	0.005	0.01
	4th Quarter Ended October 31, 2003	**3rd Quarter Ended July, 2003**	**2nd Quarter Ended April 30, 2003**	**1st Quarter Ended January 31, 2003**
(a) Revenue	Nil	Nil	Nil	Nil
(b) Loss for period	121,551	124,712	214,239	4,900
(c) Loss per share	0.01	0.01	0.02	0.01
	4th Quarter Ended October 31, 2002	**3rd Quarter Ended July, 2002**	**2nd Quarter Ended April 30, 2002**	**1st Quarter Ended January 31, 2002**
(a) Revenue	Nil	Nil	Nil	Nil
(b) Loss for period	234,011	55,220	77,863	56,275
(c) Loss per share	0.02	0.01	0.01	0.01

Capital Stock:

Authorized:

100,000,000 Common shares without par value

Issued:	#	$
October 31, 2002	10,261,384	3,406,811
Private placement	2,067,000	516,750
Issued for debt settlement	150,000	37,500
Less: Share issue costs	0	(67,502)
October 31, 2003	12,478,384	3,893,559
Private placement	6,300,000	504,000
Debt settlement	400,000	32,000
Finder's fee	380,000	30,400
Less: Share issue costs	0	(30,400)
July 31, 2004	19,558,384	4,429,559

Warrants outstanding:

	No. of Warrants	Exercise Price	Expiry Date
Expired warrants	440,000	$0.275	March 7, 2004
Private placement	6,700,000	$0.10	October 31, 2005

Options outstanding:

Number of common shares issuable	Exercise Price	Date of Expiry
260,000	$0.22	December 4, 2005
1,245,000	$0.11	October 21, 2008

Financial Position:

The Company's financial position declined from the level of $250,072 at the beginning of the year to $131,942 at July 31, 2004. The impact of the loss for the nine months of $333,996 on the Company's cash was reduced significantly as a result of the additional cash received from the completion of a private placement closed in the first quarter. A total of 2,005,000 units priced at $0.08 per share were issued, which yielded net proceeds of $130,000 after financing costs. Each unit entitled the holder to receive one common share of the Company for no additional consideration, and granted the right to purchase an additional share at a price of $0.10 for a period of two years from the date of closing. This cash inflow served to fund the adjusted net cash operating loss of $242,805 net of the property write-off of $66,000, such that a cash decrease amounting to $118,130 resulted for the nine months.

As part of the commitments for both the La Preciosa and the Santa Monica properties, the Company must issue 50,000 common shares to the optionor upon acceptance by the TSX Venture Exchange and an additional 50,000 common shares following one year from the date of approval. As noted above, the agreement also requires that the Company incur expenditures over the next five years amounting to Cdn$1 million to earn its working interest on each property. The phasing of the required expenditures are as follows:

	La Preciosa	Santa Monica
Year 1	$ 50,000	$ 75,000
2	100,000	100,000
3	150,000	125,000
4	250,000	250,000
5	450,000	450,000

While the schedule calls for the project expenditure level to grow, management is planning for a more aggressive exploration program and expects that additional financing will be necessary this year.

On March 7, 2004, the 440,000 warrants, priced at $0.275 per share and outstanding at the end of the first quarter, expired unexercised.

Related Party Transactions:

During the first nine months of 2004, the Company paid management fees amounting to $73,500 to two officers for services provided. The comparable amount, reported in the prior year, was $32,800. No fees were paid to directors. An amount of $3,103 payable to an officer is included in accounts payable at July 31, 2004, whereas fees accrued and unpaid of $19,430 were in the prior year comparable payable balance.