



B2GOLD CORP.
Unaudited Interim Consolidated Financial Statements
September 30, 2010 and 2009

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3) (a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

B2GOLD CORP.**UNAUDITED CONSOLIDATED BALANCE SHEETS**

(Expressed in thousands of United States dollars)

	<i>As at September 30, 2010</i>	<i>As at December 31, 2009</i>
Assets		
Current		
Cash and cash equivalents	\$ 38,448	\$ 2,924
Accounts receivable and prepaids	10,726	8,098
Note receivable	-	1,700
Inventories (Note 3)	17,409	10,263
Marketable securities (carried at quoted market value)	381	369
	<hr/> 66,964	<hr/> 23,354
Property, plant and equipment (Note 4)	177,277	170,306
Gramalote investment	53,808	51,914
Other assets (Note 5)	3,100	1,780
	<hr/> \$ 301,149	<hr/> \$ 247,354
Liabilities		
Current		
Accounts payable and accrued liabilities	\$ 14,835	\$ 10,051
Current portion of asset retirement obligations	720	658
Related party loans	102	1,061
	<hr/> 15,657	<hr/> 11,770
Credit Facility loan, net of unamortized transaction costs (Note 6)	-	8,642
Asset retirement obligations	13,060	13,166
Future income tax liabilities	9,638	11,616
Other liabilities (Note 7)	2,608	2,497
	<hr/> 40,963	<hr/> 47,691
Shareholders' Equity		
Capital stock (Note 8)		
Authorized		
- unlimited number of common shares, without par value		
- unlimited number of preferred shares, without par value		
Issued		
- 314,763,039 common shares (December 31, 2009 – 282,531,023)	271,005	233,842
Value assigned to stock options and share purchase warrants (Note 8)	27,910	27,800
Deficit	(38,729)	(61,979)
	<hr/> 260,186	<hr/> 199,663
	<hr/> \$ 301,149	<hr/> \$ 247,354

Subsequent event (Note 11)

Approved by the Board

"Clive T. Johnson"

Director

"Robert J. Gayton"

Director

(See accompanying notes to consolidated financial statements)

B2GOLD CORP.**UNAUDITED CONSOLIDATED STATEMENTS OF OPERATIONS,
COMPREHENSIVE INCOME (LOSS) AND DEFICIT**

(Expressed in thousands of United States dollars, except shares and per share amounts)

	<i>For the three months ended September 30, 2010</i>	<i>For the three months ended September 30, 2009</i>	<i>For the nine months ended September 30, 2010</i>	<i>For the nine months ended September 30, 2009</i>
Gold revenue	\$ 40,191	\$ 9,243	\$ 80,508	\$ 17,094
Costs and expenses				
Operating costs	(17,704)	(6,913)	(44,625)	(14,101)
General and administrative	(3,529)	(1,855)	(10,441)	(5,597)
Depreciation and depletion	(4,082)	(1,100)	(9,162)	(1,912)
Royalties and production taxes	(1,947)	(524)	(4,419)	(963)
Stock-based compensation	(483)	(1,681)	(1,998)	(2,123)
Accretion of asset retirement obligations	(370)	(129)	(1,109)	(258)
Other	(1,142)	527	(3,052)	527
	(29,257)	(11,675)	(74,806)	(24,427)
Operating income (loss)	10,934	(2,432)	5,702	(7,333)
Other income (expense)				
Gain on sale of interest in Kupol EW licenses (Note 4)	24,062	-	24,062	-
Interest and financing (Note 6)	(1,375)	-	(4,290)	-
Foreign exchange (loss) gain	(417)	201	(335)	(844)
Write-off of resource property interests	-	(1,541)	-	(4,660)
Other	(852)	1,304	(852)	1,499
	21,418	(36)	18,585	(4,005)
Income (loss) before income taxes	32,352	(2,468)	24,287	(11,338)
Withholding and other taxes	(366)	-	(1,055)	-
Future income tax recovery	18	504	18	804
Net income (loss) & comprehensive income (loss) for the period	32,004	(1,964)	23,250	(10,534)
Deficit, beginning of period	(70,733)	(42,761)	(61,979)	(34,191)
Deficit, end of period	\$ (38,729)	\$ (44,725)	\$ (38,729)	(44,725)
Earnings (loss) per share				
Basic	\$ 0.10	\$ (0.01)	\$ 0.08	\$ (0.05)
Diluted	\$ 0.10	\$ (0.01)	\$ 0.07	\$ (0.05)
Weighted average number of common shares outstanding (in thousands)				
Basic	307,462	238,542	300,819	223,515
Diluted *	324,281	238,542	314,970	223,515

* Due to a loss in the 2009 comparative periods, zero incremental shares were included in these periods because the effect would be anti-dilutive.

(See accompanying notes to consolidated financial statements)

B2GOLD CORP.
UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS

(Expressed in thousands of United States dollars)

	<i>For the three months ended September 30, 2010</i>	<i>For the three months ended September 30, 2009</i>	<i>For the nine months ended September 30, 2010</i>	<i>For the nine months ended September 30, 2009</i>
Operating activities				
Net income (loss) for the period	\$ 32,004	\$ (1,964)	\$ 23,250	\$ (10,534)
Asset retirement obligations settled	(258)	(385)	(1,152)	(609)
Non-cash charges (credits)				
Gain on sale of interest in Kupol EW licenses	(24,062)	-	(24,062)	-
Depreciation and depletion	4,082	1,100	9,162	1,912
Amortization of deferred financing costs	1,134	-	3,366	-
Stock-based compensation	483	1,681	1,998	2,123
Accretion of asset retirement obligations	370	129	1,109	258
Future income tax (recovery)	(18)	(504)	(18)	(804)
Write-off of resource property interests	-	1,541	-	4,660
Other	(507)	60	249	199
	13,228	1,658	13,902	(2,795)
Changes in non-cash working capital	1,314	(1,038)	(85)	(3,116)
	14,542	620	13,817	(5,911)
Financing activities				
Common shares issued for cash, net of issue costs (Note 8)	2,822	24,999	34,992	25,030
Credit Facility loan, repayments (Note 6)	(20,000)	-	(21,000)	-
Credit Facility loan, draw downs (Note 6)	-	-	7,500	-
Related party loans, repayments	-	(1,983)	(959)	(1,983)
Related party loans, received	-	1,963	-	1,963
	(17,178)	24,979	20,533	25,010
Investing activities				
Cash proceeds from sale of interest in Kupol EW licenses (Note 4)	33,000	-	33,000	-
La Libertad Mine, construction and development	(1,673)	(18,545)	(15,926)	(28,838)
La Libertad, exploration	(1,315)	(123)	(3,385)	(228)
Limon Mine, development	(1,518)	(724)	(3,863)	(1,544)
Limon, exploration	(796)	-	(2,043)	(20)
Calibre, exploration	(663)	-	(2,303)	-
Gramalote, exploration and development	(546)	(446)	(1,916)	(2,666)
Proceeds from note receivable	1,300	-	1,500	-
Radius, exploration	(411)	-	(1,543)	-
Kupol East West licenses, exploration	17	(123)	(1,075)	(1,148)
Cebollati, exploration	(548)	-	(548)	-
Central Sun Arrangement, net of cash acquired	-	-	-	(15,260)
Proceeds from short-term money market instruments	-	-	-	33,048
Repayment of notes payable to Kinross	-	-	-	(2,602)
Colombia JV arrangement, exploration	-	(674)	-	(2,818)
Other	173	(128)	(724)	(872)
	27,020	(20,763)	1,174	(22,948)
Increase/ (decrease) in cash & cash equivalents	24,384	4,836	35,524	(3,849)
Cash and cash equivalents, beginning of period	14,064	4,548	2,924	13,233
Cash and cash equivalents, end of period	\$ 38,448	\$ 9,384	\$ 38,448	\$ 9,384

Supplementary cash flow information (Note 9)

(See accompanying notes to consolidated financial statements)

B2GOLD CORP.

NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS **September 30, 2010**

(all tabular amounts are in thousands of United States dollars unless otherwise stated)

1 Nature of operations

B2Gold Corp. ("B2Gold" or the "Company") is a Vancouver-based gold producer with mining operations in Nicaragua and a portfolio of development and exploration assets in Colombia and Nicaragua. Currently, the Company is operating the La Libertad Mine and the Limon Mine in Nicaragua. The Company owns or has a material interest in the Gramalote and Mocoa properties in Colombia, and the Bellavista property in Costa Rica.

On March 26, 2009, B2Gold completed a business combination with Central Sun Mining Inc. ("Central Sun") in which B2Gold acquired all of the outstanding common shares of Central Sun. As a result of this transaction, B2Gold acquired the La Libertad Mine (100%) and the Limon Mine (95%). In addition, the Company acquired Central Sun's interests in additional mineral properties including, in Costa Rica, the 100% owned Bellavista property.

2 Basis of presentation

The accompanying unaudited interim consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles for the preparation of interim financial statements. Accordingly, these interim financial statements do not contain all the information required for annual financial statements and should be read in conjunction with the Company's most recent audited consolidated financial statements as at December 31, 2009. These interim consolidated financial statements follow the same accounting policies and methods of application as the most recent audited consolidated financial statements of the Company. Certain comparative figures for 2009 have been reclassified to conform to the 2010 financial statement presentation.

3 Inventories

	<i>As at September 30, 2010 \$</i>	<i>As at December 31, 2009 \$</i>
Gold and silver bullion	3,526	203
In-process inventory	2,182	1,781
Stock-pile inventory	47	68
Materials and supplies	11,654	8,211
	17,409	10,263

B2GOLD CORP.**NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS**
September 30, 2010

(all tabular amounts are in thousands of United States dollars unless otherwise stated)

4 Property, plant and equipment

	<i>As at September 30, 2010</i>	<i>As at December 31, 2009</i>
	\$	\$
La Libertad Mine, Nicaragua		
Cost	116,280	99,986
Accumulated depreciation and depletion	(5,681)	-
	110,599	99,986
Limon Mine, Nicaragua		
Cost	34,389	28,435
Accumulated depreciation and depletion	(7,045)	(2,281)
	27,344	26,154
Exploration properties		
Mocoa, Colombia	31,969	31,593
Calibre, Nicaragua	2,543	241
Radius, Nicaragua	1,669	345
Cebollati, Uruguay	548	-
Kupol East and West Licenses, Russia	-	9,800
	36,729	41,979
Other		
Bellavista, Costa Rica	2,582	2,147
Office, furniture and equipment, net	23	40
	177,277	170,306

Sale of interest in Kupol East and West Licenses

On July 22, 2010, the Company reached an agreement with Kinross Gold Corporation ("Kinross") to sell to a subsidiary of Kinross, its right to acquire an interest in the Kupol East and West Licenses. The Company has had the right to acquire and earn in to half of Kinross' interest in these licenses. In consideration of the acquisition by Kinross of the Company's right to acquire an interest in the licenses, Kinross paid \$33 million to the Company and will make contingent payments of \$15 million for each incremental million ounces of gold of National Instrument ("NI") 43-101 compliant proven and probable reserves contained by the Kupol East and West License areas, up to a maximum of nine million ounces of gold (100% basis). In addition, the Company will receive payments equal to 1.5% of Net Smelter Returns from the commencement of production from the area covered by the Kupol East and West Licenses, subject to a right for Kinross to repurchase the royalty for \$30 million. The sale resulted in a gain of \$24.1 million in the third quarter of 2010. For accounting purposes, no value was assigned to the contingent consideration at the date of sale (as a NI 43-101 compliant proven and probable reserve estimate does not exist at this time).

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NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS **September 30, 2010**

(all tabular amounts are in thousands of United States dollars unless otherwise stated)

Cebollati property

On September 2, 2010, the Company reached an agreement with a private Uruguayan company, to option the Cebollati gold property located in Uruguay. The Cebollati property consists of ten claims totalling 34,200.07 hectares ("ha") located in the Department of Lavalleja, 180 kilometres ("km") northeast of Montevideo in southern Uruguay. The claims comprise one exploration license totalling 163.06 ha, one prospection license totalling 558.24 ha and eight prospection applications totaling 33,478.77 ha. Under the terms of the option agreement, the Company will earn an 80% interest in the Cebollati property by paying \$1 million in stages by January 31, 2012 and funding all exploration work through feasibility. Additional obligations include the completion of a feasibility study, a per ounce gold payment and a Net Smelter Return for additional production.

La Libertad Mine

The La Libertad Mine achieved commercial production on February 1, 2010. Mining and processing of ore commenced at the La Libertad Mine in the fourth quarter of 2009 following the completion of the conversion of the La Libertad Mine from a heap leach mine to a conventional milling operation. Ore processing at the La Libertad Mine began on December 15, 2009 with the first doré bar produced on January 5, 2010. The La Libertad Mine is projected to produce approximately 80,000 to 90,000 ounces of gold annually with an initial seven year mine life. Prior to commercial production on February 1, 2010, net revenues or expenses derived from La Libertad mining activities (including \$0.7 million of gold sales revenue in January 2010) were included in mine development costs.

5 Other assets

	<i>As at September 30, 2010</i>	<i>As at December 31, 2009</i>
	\$	\$
Restricted cash pledged as security	355	355
Assets held for sale:		
Quebradona property, Colombia	1,000	1,000
Other	253	350
Deferred charges	1,492	75
	3,100	1,780

B2GOLD CORP.

NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS **September 30, 2010**

(all tabular amounts are in thousands of United States dollars unless otherwise stated)

6 Credit Facility loan

The Company entered into an agreement relating to a \$20 million secured revolving credit facility (the "Credit Facility") with Macquarie Bank Limited ("Macquarie") on November 6, 2009. The term of the Credit Facility is for two years with a maturity date of December 31, 2011 and an interest rate of LIBOR plus 5.5%. On February 12, 2010, the Company entered into an amending agreement relating to the Credit Facility pursuant to which the Credit Facility was increased to \$25 million.

As at December 31, 2009, the Company had drawn down a total of \$13.5 million under the Credit Facility and an additional \$7.5 million in the first and second quarters of 2010. In the third quarter of 2010, the balance owing under the Credit Facility was fully repaid (\$20 million on August 30, 2010 and \$1 million on May 21, 2010). Accordingly, \$25 million remains available for draw down as at September 30, 2010.

The Credit Facility provides that in certain events or on December 1, 2010 the lender has the right to review the Credit Facility and may within 28 days of such event or date determine whether to continue to make the Credit Facility available or terminate it and require repayment within 60 days. Management believes that it is unlikely that the Credit Facility will be terminated prior to its maturity date of December 31, 2011.

	<i>As at September 30, 2010</i>	<i>As at December 31, 2009</i>
	\$	\$
Principal amount owing	-	13,500
Less: unamortized transaction costs	-	(4,858)
Carrying value	-	8,642

7 Other liabilities

	<i>As at September 30, 2010</i>	<i>As at December 31, 2009</i>
	\$	\$
Employee benefits accrual	2,608	2,022
Other	-	475
	2,608	2,497

B2GOLD CORP.

NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS September 30, 2010

(all tabular amounts are in thousands of United States dollars unless otherwise stated)

8 Capital Stock

	<i>For the nine months ended September 30, 2010</i>		<i>For the year ended December 31, 2009</i>	
	<i>Shares (<i>'000</i>'s)</i>	<i>Amount \$</i>	<i>Shares (<i>'000</i>'s)</i>	<i>Amount \$</i>
Balance, beginning of period	282,531	233,842	162,783	157,602
Issued during the period:				
For cash, net of costs	25,624	29,157	38,341	24,980
Central Sun acquisition, March 26, 2009	-	-	80,639	50,802
For cash, on exercise of warrants	3,393	3,232	384	38
For cash, on exercise of options	3,215	2,603	384	239
Transfer to share capital the fair value assigned to stock options/share purchase warrants exercised	-	2,171	-	181
	32,232	37,163	119,748	76,240
Balance, end of period	314,763	271,005	282,531	233,842

On February 18, 2010, the Company completed a bought deal equity financing and issued 25,624,111 common shares, including 3,342,276 common shares issued on exercise of the over-allotment option, at Cdn.\$1.25 per share, for aggregate gross proceeds of approximately Cdn.\$32 million. As part of the offering, AngloGold Ashanti Limited (AngloGold) exercised its pre-emptive right granted by the Company to maintain its percentage of holdings of approximately 10% of the common shares of the Company by acquiring 2,624,111 common shares. The Company paid the underwriters a commission equal to 5% of the gross proceeds of the offering upon closing, excluding the common shares purchased by AngloGold for which no commission was payable, for an aggregate commission of Cdn.\$1.44 million.

Stock options

During the nine months ended September 30, 2010, approximately 1.5 million stock options were granted to employees with exercise prices ranging from Cdn.\$1.25 to Cdn.\$1.63 per share. These stock options have a term of five years. The estimated fair value of these options totalling approximately \$1.3 million is being recognized over the vesting period.

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NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
September 30, 2010

(all tabular amounts are in thousands of United States dollars unless otherwise stated)

A summary of changes to stock options outstanding:

	<i>Number of outstanding options (‘000’s)</i>	<i>Weighted- average exercise price (in Cdn.\$)</i>
Outstanding at December 31, 2008	5,380	2.40
Granted	10,060	0.80
Options issued on Central Sun acquisition	7,989	1.45
Exercised	(384)	0.67
Forfeited/expired	(825)	2.02
Outstanding at December 31, 2009	22,220	1.38
Granted	1,480	1.38
Exercised	(3,215)	0.83
Forfeited/expired	(5,909)	2.24
Outstanding at September 30, 2010	14,576	1.16

Stock options outstanding and exercisable as at September 30, 2010 are as follows:

	<i>Range of exercise price (in Cdn.\$)</i>	<i>Number of outstanding options (‘000’s)</i>	<i>Weighted- average years to expiry</i>	<i>Weighted- average exercise price (in Cdn.\$)</i>	<i>Number of exercisable options (‘000’s)</i>	<i>Weighted- average exercise price (in Cdn.\$)</i>
Issued:						
2009 (Central Sun replacement options)	0.95 – 3.72	6,647	1.62	1.46	6,647	1.46
2009	0.80	6,540	3.87	0.80	6,540	0.80
2010	1.25 – 1.63	1,389	4.38	1.38	392	1.38
		<u>14,576</u>	2.89	1.16	<u>13,579</u>	1.14

B2GOLD CORP.**NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS**
September 30, 2010

(all tabular amounts are in thousands of United States dollars unless otherwise stated)

Share purchase warrants

A summary of changes to share purchase warrants outstanding:

	<i>Number of outstanding warrants (<i>'000</i>'s)</i>	<i>Weighted- average exercise price (in Cdn.\$)</i>
Outstanding at December 31, 2008	23,400	3.67
Issued to Macquarie	11,064	0.97
Warrants issued on Central Sun acquisition	18,062	0.95
Exercised	(384)	0.11
Expired	(1,127)	0.82
Outstanding at December 31, 2009	51,015	2.21
Exercised	(3,393)	0.98
Outstanding at September 30, 2010	47,622	2.30

Share purchase warrants outstanding and exercisable as at September 30, 2010 are as follows:

	<i>Number of outstanding and exercisable warrants (<i>'000</i>'s)</i>	<i>Exercise price (in Cdn.\$)</i>
Expiring Oct 22, 2010 *	13,158	0.98
Expiring November 9, 2012	11,064	0.97
Expiring May 15, 2011	11,000	3.34
Expiring May 15, 2011	10,400	4.25
Expiring Dec 6, 2010	2,000	2.50
	47,622	2.30

* Central Sun replacement warrants

B2GOLD CORP.**NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS**
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(all tabular amounts are in thousands of United States dollars unless otherwise stated)

The following table shows the changes in the category "Value assigned to stock options and share purchase warrants" as presented under shareholders' equity on the consolidated balance sheets:

	<i>For the nine months ended Sep. 30, 2010</i>	<i>For the year ended Dec. 31, 2009</i>
	\$	\$
Balance, beginning of period	27,800	11,308
Stock-based compensation - expensed	1,998	3,220
Stock-based compensation - capitalized to resource property interests	283	1,631
Fair value assigned to Central Sun stock options and share purchase warrants exchanged	-	7,353
Fair value assigned to warrants issued to Macquarie	-	4,469
Transfer to share capital on the exercise of stock options/ share purchase warrants	(2,171)	(181)
Balance, end of period	27,910	27,800

9 Supplementary cash flow information

Supplementary disclosure of cash flow information is provided in the table below:

	<i>For the nine months ended Sep. 30, 2010</i>	<i>For the year ended Dec. 31, 2009</i>
	\$	\$
Non-cash investing and financing activities:		
Common shares issued for Central Sun acquisition	-	50,802
Fair value assigned to Central Sun stock options and share purchase warrants exchanged	-	7,353
Fair value assigned to warrants issued to Macquarie	-	4,469
Accounts payable and accrued liabilities relating to resource property expenditures	264	5,258
Future income tax liabilities relating to resource property expenditures	(1,960)	479
Stock-based compensation, capitalized to resource property interests	283	1,631

B2GOLD CORP.**NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS**
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(all tabular amounts are in thousands of United States dollars unless otherwise stated)

10 Segmented information

On March 26, 2009, the Company completed a business combination with Central Sun acquiring the Limon Mine (95%) and La Libertad Mine (100%). The La Libertad Mine achieved commercial production on February 1, 2010 following the completion of the conversion of the La Libertad Mine from a heap leach mine to a conventional milling operation. All gold revenue in 2009 was attributable to the Limon Mine. Prior to the acquisition of Central Sun, the Company had no source of operating revenue and its principal activity consisted of exploration in Colombia and Russia.

The Company's reportable segments for the three months and nine months ended September 30, 2010 are summarized in the following tables.

Three months ended September 30, 2010

	<i>Limon Mine</i>	<i>La Libertad Mine</i>	<i>Exploration</i>	<i>Corporate & Other</i>	<i>Total</i>
	\$	\$	\$	\$	\$
Gold revenue	14,619	25,572	-	-	40,191
Net income/(loss)	1,287	8,722	24,062	(2,067)	32,004
Capital & exploration expenditures	2,314	2,988	2,224	-	7,526

Nine months ended September 30, 2010

	<i>Limon Mine</i>	<i>La Libertad Mine</i>	<i>Exploration</i>	<i>Corporate & Other</i>	<i>Total</i>
	\$	\$	\$	\$	\$
Gold revenue	35,382	45,126	-	-	80,508
Net income/(loss)	3,922	9,999	24,062	(14,733)	23,250
Capital & exploration expenditures	5,906	19,311	7,737	-	32,954

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(all tabular amounts are in thousands of United States dollars unless otherwise stated)

The Company's capital assets are located in the following geographical locations. In addition, the Gramalote property is located in Colombia.

	<i>As at September 30, 2010</i>	<i>As at December 31, 2009</i>
	\$	\$
Capital assets		
Canada	23	40
Colombia	31,969	31,593
Costa Rica	2,582	2,147
Nicaragua	142,155	126,726
Russia	-	9,800
Uruguay	548	-
	177,277	170,306

11 Subsequent event

Subsequent to September 30, 2010, approximately 19.5 million share purchase warrants and 0.9 million stock options were exercised for gross proceeds of approximately \$18.6 million and \$0.8 million, respectively.