Consolidated Financial Statements of

CARLIN GOLD CORPORATION

(AN EXPLORATION STAGE COMPANY)

For the three months ended March 31, 2010 and 2009

(Interim Unaudited – Prepared by Management)

Notice to Reader:

These interim financial statements of Carlin Gold Corporation have been prepared by management and approved by the Audit Committee on behalf of the Board of Directors of the Company. In accordance with National Instrument 51-102 released by the Canadian Securities Administrators, the Company discloses that its external auditors have not reviewed these interim financial statements, notes to financial statements and the related quarterly Management Discussion and Analysis.

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CARLIN GOLD CORPORATION
(an Exploration Stage Company)
Consolidated Balance Sheets
March 31, 2009 and March 31, 2010
Interim Unaudited – Prepared by Management
(Expressed in Canadian dollars)

		March 31 2010		December 31 2009
Assets				
Current assets:				
Cash	**$**	**433,051**	$	463,477
Accounts receivable		**5,302**		5,828
Marketable securities (*Note 4*)		**460,666**		554,345
Prepaid expenses		**8,581**		7,498
		907,600		1,031,148
Mineral property costs *(Note 3)*		**824,754**		1,269,919
Reclamation bonds		**107,619**		111,551
	$	**1,839,973**	$	2,412,618
Liabilities and Shareholders' Equity				
Current liabilities:				
Accounts payable and accrued liabilities	**$**	**20,910**	$	34,119
Amounts due to related parties *(Note 6)*		**3,650**		2,632
		24,560		36,751
Future income tax liabilities		**131,128**		131,128
		155,688		167,879
Shareholders' equity:				
Share capital *(Note 5)*		**5,045,119**		5,968,723
Contributed Surplus		**573,039**		569,679
Accumulated other comprehensive income		**333,688**		423,224
Deficit		**(4,267,561)**		(4,716,887)
		1,684,285		2,244,739
	$	**1,839,973**	$	2,412,618

Approved on behalf of the Board:

"K. Wayne Livingstone"
……………………………Director
K. Wayne Livingstone

"Dale Bennett"
……………………………Director
Dale Bennett

See accompanying notes to consolidated financial statements.

CARLIN GOLD CORPORATION
(an Exploration Stage Company)
Consolidated Statements of Operations
For the three months ended March 31, 2010 and 2009
Interim Unaudited – Prepared by Management
(Expressed in Canadian dollars)

	March 31 2010	March 31 2009
Expenses:		
Accounting and audit	**$ 7,298**	$ 10,000
General exploration	**1,073**	-
Insurance	**1,412**	4,825
Legal fees	**1,919**	3,388
Management and administration fees	**13,500**	13,500
Office	**7,195**	3,828
Regulatory fees	**5,000**	5,060
Rent	**750**	750
Stock based compensation *(Note 5d)*	**3,360**	591
Technical consulting	**1,400**	9,734
Transfer agent fees	**919**	1,624
Travel	**-**	856
Loss before Other Items	**(43,826)**	(54,156)
Foreign exchange gain *(Note 5a(iii))*	**83,144**	11,443
Mineral properties writedown *(Note 3)*	**(450,385)**	(3,621)
Income from sale of marketable securities *(Note 4)*	**25,632**	12,745
Gain on disposal of subsidiaries *(Note 5a(iii))*	**834,760**	-
	493,152	20,567
Income (loss) for the period	**$ 449,326**	$ (33,589)
Income (loss) per share (basic and fully diluted)	**$ 0.01**	$ (0.01)
Weighted average number of common shares outstanding	**41,271,803**	41,271,803
Other Comprehensive Income		
Unrealized gain (loss) on available-for-sale investments *(Note 4)*	**(89,536)**	173,258
Total Comprehensive Income (loss) for the period	**$ 359,790**	$ 139,669

See accompanying notes to consolidated financial statements.

CARLIN GOLD CORPORATION
(an Exploration Stage Company)
Consolidated Statements of Shareholders' Equity
For the three months ended March 31, 2010 and 2009
Interim Unaudited – Prepared by Management
(Expressed in Canadian dollars)

	Number of Shares	Capital Stock	Contributed Surplus	Deficit	Accumulated Other Comprehensive Income	Total Shareholders' Equity
		$	$	$	$	$
Balance, December 31, 2008	41,271,567	$ 5,968,723	$ 562,367	$(4,655,470)	$ 99,949	$ 1,975,569
Net loss for the year	-	-	-	(61,417)	-	(61,417)
Unrealized gain on available-for-sale investments	-	-	-	-	333,530	333,530
Realized gain on disposition of available-for-sale investments	-	-	-		(10,255)	(10,255)
Stock-based compensation	-	-	7,312	-	-	7,312
Balance, December 31, 2009	41,271,567	$ 5,968,723	$ 569,679	$(4,716,887)	$ 423,224	$ 2,244,739
Shares returned to treasury *(Note 5a(iii))*	-	$ (923,604)	$ -	$ -	$ -	$ (923,604)
Net income for the period	-	-	-	449,326	-	449,326
Unrealized loss on available-for-sale investments	-	-	-	-	(89,536)	(89,536)
Stock-based compensation	-	-	3,360	-	-	3,360
Balance, March 31, 2010	41,271,567	5,045,119	573,039	(4,267,561)	333,688	1,684,285

See accompanying notes to consolidated financial statements.

CARLIN GOLD CORPORATION
(an Exploration Stage Company)
Consolidated Statements of Cash Flows
For the three months ended March 31, 2009 and 2009
Interim Unaudited – Prepared by Management
(Expressed in Canadian dollars)

		March 31 2010		March 31 2009
Cash provided by (used in):				
Operations:				
Loss for the period	**$**	**449,326**	$	(33,589)
Items not affecting cash:				
Stock based compensation		**3,360**		591
Gain on sale of marketable securities *(Note 3)*		**(25,632)**		3,621
Foreign exchange gain on disposal of subsidiaries *(Note 5a(iii))*		**(88,843)**		-
Gain on disposal of subsidiaries *(Note 5a(iii))*		**(834,761)**		-
Mineral property interest written-off *(Note 4)*		**450,385**		-
Change in non-cash operating working capital:				
Accounts receivable		**526**		(316)
Accounts payable and accrued liabilities		**(13,209)**		(44,339)
Prepaid expenses and deposits		**(1,083)**		(1,333)
		(59,931)		(75,365)
Investing activities:				
Mineral property expenditures (*Note 3)*		**(5,220)**		(90,034)
Due to related parties *(Note 6)*		**1,018**		-
Recovery of reclamation bonds		**3,932**		-
Mineral property recoveries		**-**		305,860
Proceeds on sale of marketable securities (*Note 4)*		**29,775**		76,525
		29,505		292,351
		-		-
Decrease in cash		**(30,426)**		216,986
Cash, beginning of period		**463,477**		548,657
Cash, end of period	**$**	**433,051**	$	765,643
Supplemental disclosure of financing activities:				
Interest paid	**$**	-	$	-
Income taxes paid	**$**	-	$	-
Interest received	**$**	-	$	
Proceeds on sale of marketable securities	**$**	29,775	$	65,722

See accompanying notes to consolidated financial statements.

1. BASIS OF PRESENTATION

These interim financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP") for interim financial statements and follow the same accounting policies and methods of application as the most recent annual financial statements for the year ended December 31, 2009. These interim financial statements do not contain all disclosures required by Canadian GAAP and accordingly should be read in conjunction with the audited 2009 annual financial statements and the notes thereto.

Carlin Gold Corporation ("Carlin" or the "Company") is an exploration stage junior mining company engaged in the identification, acquisition, evaluation and exploration of gold properties in Nevada, U.S.A. The Company has not determined whether its properties contain mineral reserves that are economically recoverable. The recoverability of amounts shown for resource properties and related deferred costs is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development, and attaining future profitable production from the properties or proceeds from disposition.

The Company is dependent on raising funds through the issuance of shares, obtaining debt financing and/or attracting joint venture partners in order to undertake further exploration and development of its mineral properties. Management believes that additional financing is available and may be sourced in time to allow the Company to continue its current planned activities in the normal course. There can, however, be no assurance the Company will be able to raise funds in the near future, in which case management may delay exploration activities on some of its properties until funds become available.

These consolidated financial statements include the accounts of the Company's wholly-owned subsidiary, Carlin Gold US Inc. (Nevada). All significant intercompany balances and transactions have been eliminated upon consolidation.

2. RECENT ACCOUNTING PRONOUNCEMENTS

International Financial Reporting Standards ("IFRS")

In February 2008 the Accounting Standards Board confirmed that International Financial Reporting Standards (IFRS) will replace Canadian GAAP for publicly accountable enterprises for financial periods beginning on and after January 1, 2011. The Company's first mandatory filing under IFRS, which will be the first quarter of 2011, will contain IFRS-compliant information on a comparative basis, as well as reconciliations for that quarter and as at the January 1, 2010 transition date. Although IFRS uses a conceptual framework similar to Canadian GAAP, there are significant differences in recognition, measurement and disclosure. The Company is considering a plan for IFRS convergence and has started the assessment process. Detailed analysis of the differences between IFRS and the Company's accounting policies and assessment of the various alternatives for first time adoption of IFRS are in progress.

(Expressed in Canadian dollars)

3. MINERAL PROPERTY INTERESTS

The following is a summary of the Company's principal property interests, all situated in Nevada, U.S.A., as at March 31, 2010:

	Willow Creek/Currant Creek	Cortez Summit	Whisky Canyon	JDS	Total
Balance, December 31, 2009	$ 632,987	$ 137,579	$ 468,565	$ 30,788	$ 1,269,919
Acquisition costs	540	-	-	-	540
Deferred expenditures					
Geology/geophysical	-	2,860	1,820	-	4,680
Property tax and maintenance fees	-	-		-	-
Mineral property writedowns	-	-	(450,385)	-	(450,385)
Balance, March 31, 2010	$ 633,527	$ 140,439	$ 20,000	$ 30,788	$ 824,754

The following is a summary of the Company's principal property interests as at December 31, 2009:

	Pine Grove	Willow Creek/Current Creek	Cortez Summit	Whisky Canyon	JDS	Total
Balance, December 31, 2008	$ 387,088	$ 601,075	$ 119,253	$ 272,325	$ 16,122	$ 1,395,863
Acquisition costs	3,592	-		46,200	-	49,792
Deferred expenditures						
Geology/geophysical	6,116	3,362	4,056	126,656	1,428	141,618
Property tax and maintenance fees	320	28,550	14,270	23,384	13,238	79,762
Expenditures for the year	10,028	31,912	18,326	196,240	14,666	271,172
Mineral property writedowns	(387,088)	-	-	-	-	(387,088)
Cost recoveries	(10,028)	-	-	-	-	(10,028)
Balance, Dec 31, 2009	$ -	$ 632,987	$ 137,579	$ 468,565	$ 30,788	$ 1,269,919

Whisky Canyon Property

As at March 31, 2010, the Company wrote down all but $20,000 of its investment in the Whisky Canyon property, for a write-off of $450,385. In April 2010, the Company terminated three option agreements and lease agreements related to the Whisky Canyon property.

(Expressed in Canadian dollars)

The Company continues to own a 100% interest in 4 unpatented mining claims and a 100% interest in two patented mining claims ("Emma and Silva claims") in the Whisky Canyon prospect area. The purchase price of the Emma and Silva claims was US$12,500, which was paid upon completion of the purchase agreement in 2008. The vendor retains a 3% net smelter return royalty on the two patented claims. The Company has the option to acquire all or part of the royalty for $500,000 for each percentage point.

4. MARKETABLE SECURITIES

At March 31, 2010 and 2009, the Company owned the following marketable securities:

	As at March 31, 2010			As at March 31, 2009		
	Number of Shares	Book Value	Fair Value	Number of Shares	Book Value	Fair Value
Piedmont Mining Co.	300,000	$ 49,951	$ 10,666	300,000	$ 49,951	$ 12,900
Romarco Minerals Inc.	-	-	-	15,000	4,143	8,400
Constantine Metal Resources Ltd.	2,000,000	-	450,000	2,000,000	-	360,000
		49,951	$ 460,666		$ 54,094	$ 381,300

In March 2010, the Company sold 15,000 Romarco Minerals Inc. shares for cash proceeds of $29,775, resulting in a gain for accounting purposes of $25,632.

The Company's investment in Constantine Metal Resources Ltd. represents an ownership interest of 2.5% at March 31, 2010 (2009 – 6%). Constantine Metal Resources Ltd. is related to the Company through two common directors.

5. SHARE CAPITAL

(a) Details of Share Capital are as follows:

(i) Authorized: unlimited common shares without par value

(ii) See Consolidated Statement of Shareholders' Equity on page 4 of this report.

(iii) Shares Returned to Treasury

At the beginning of 2010, the Company recorded the disposal of the following wholly-owned subsidiaries and the return of their shares:

Toquima Minerals Corporation (British Columbia) ("TQM")
Toquima Minerals US Inc. (Nevada) ("TQM US")
Aurelius Financial Corp. (B.V.I.) ("Aurelius")
Yunnan Carlin Mining Corp. (China) (("Yunnan Carlin")

The return of shares resulted in the following gains during the current period and a reduction in the capital stock account of the Company:

Gain on disposal of TQM BC and TQM US	$	701,924
Gain on disposal Aurelius and Yunnan Carlin		132,837
Gain on foreign exchange		88,843
	$	923,604

(Expressed in Canadian dollars)

(b) Warrants

There were no warrants outstanding at March 31, 2010 (2009 – 3,260,000 warrants at $0.30).

(c) Share Purchase Options

The Company has established a share purchase option plan whereby the board of directors may, from time to time, grant options to directors, officers, employees or consultants. Options granted must be exercised no later than five years from the date of grant or such lesser period as determined by the Company's board of directors. The exercise price of an option is not less than the closing price of the stock on the last trading day preceding the grant date. Options vest 25% on the grant date and 12.5% each three months thereafter until fully vested. The associated stock-based compensation expense is recognized on a straight-line basis over the vesting period. The maximum number of options to be granted under this plan is 3,950,000 options.

A summary of the changes in the Company's share options plan for the quarter ended March 31, 2010 and the year ended December 31, 2009 are as follows:

	March 31, 2010		December 31, 2009	
	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
Outstanding, beginning of period	3,500,000	$ 0.16	3,500,000	$ 0.16
Options granted to directors	525,000	0.105	525,000	0.105
Options granted to consultants	75,000	0.105	75,000	0.105
Options expired during the period	-	-	(2,100,000)	0.13
Outstanding, end of period	2,000,000		2,000,000	

A summary of the Company's options as at March 31, 2010 is as follows:

Expiry Date	Weighed Average Exercise Price	Number of Options Outstanding	Weighted Average Remaining Contractual Life (in years)	Number of Options Exercisable (vested)
June 27, 2010	$ 0.130	800,000	0.3	800,000
July 17, 2011	$ 0.275	375,000	1.3	375,000
October 17, 2011	$ 0.280	50,000	1.5	50,000
March 7, 2012	$ 0.280	75,000	2.0	75,000
August 7, 2012	$ 0.280	100,000	2.3	100,000
October 9, 2014	$ 0.105	600,000	4.5	225,000
		2,000,000		1,625,000

(Expressed in Canadian dollars)

(d) Stock-Based Compensation

During the three months ended March 31, 2010, 75,000 stock options granted during 2009 vested.

An amount of $3,360 (2009 - $591) has been recorded in the period ended March 31, 2010 as stock-based compensation expense, based on the graded vesting schedule of the Company's outstanding stock options. The following weighted average assumptions and resulting grant date fair value were used for the Black-Scholes option pricing model valuation of incentive options and finders warrants:

	2009
Risk-free interest rate	2.6%
Expected life of options and warrants	5 years
Annualized volatility	113%
Dividend rate	0.00%
Grant date fair value	.06

6. RELATED PARTY TRANSACTIONS

(a) The following represents the details of related party transactions paid or accrued:

For the 3 months ended March 31,		2010		2009
Administration and consulting fees paid to a company controlled by the president	$	3,000	$	3,000
Technical consulting fees and expenses paid to directors		4,420		12,758
Accounting and administration fees paid to a company 50% owned by an officer and director		10,500		10,500
	$	17,920	$	26,258

(b) As at March 31, 2010, an amount of $3,650 (2009 - $3,337) was payable to related parties for consulting services. The amount is without interest or stated terms of repayment.

Related party transactions are in the ordinary course of business, occurring on terms that are similar to those of transactions with unrelated parties and are measured at the exchange amount.

7. MANAGEMENT OF CAPITAL

The Company manages its common shares, stock options and warrants as capital (see Note 7). There has been no change in the nature of the Company's capital during the three months ended March 31, 2010. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the development of its mineral properties and to maintain a flexible capital structure, which optimizes the costs of capital at an acceptable risk. The Company does not have any externally imposed capital restrictions.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue debt, acquire or dispose of assets.

(Expressed in Canadian dollars)

In order to facilitate the management of its capital requirements, the Company prepares expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions.

There were no changes in the Company's approach to capital management during the period.

8. SEGMENTED INFORMATION

The Company has one operating segment, mineral exploration and development. The Company's assets by geographical location at March 31, 2010 and 2009 are as follows:

	2010	2009
Canada	$ 882,893	$ 774,206
United States	957,080	1,559,094
China	-	61,303
Total	$ 1,839,973	$ 2,394,603

CARLIN GOLD CORPORATION

MANAGEMENT'S DISCUSSION AND ANALYSIS
For the three months ended March 31, 2010

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Description of Business and Report Date

The information in this Management's Discussion and Analysis, or MD&A, is intended to assist the reader in the understanding and assessment of the trends and significant changes in the results of operations and financial conditions of Carlin Gold Corporation (the "Company" or "Carlin"). This MD&A should be read in conjunction with the unaudited consolidated financial statements of the Company, including the notes thereto, for the three months ended March 31, 2010 and 2009 (the "financial statements"), which are prepared in accordance with Canadian generally accepted accounting principles for interim financial statements, and the annual audited financial statements and MD&A for the year ended December 31, 2009. This MD&A has taken into account information available up to and including May 27, 2010.

Carlin is an exploration stage company engaged in the identification, evaluation, acquisition and exploration primarily of gold properties in Nevada. The Company is a reporting issuer in British Columbia and Alberta, and trades on the TSX Venture Exchange under the symbol CGD.

Forward-Looking Statements

Some of the statements in this document constitute "forward looking statements". Where Carlin expresses an expectation or belief as to future events or results, including management plans and objectives, and projections of exploration results, such expectation or belief is expressed in good faith and is believed to have a reasonable basis. The Company makes no representation that reasonable business people in possession of the same information would reach the same conclusions. While these statements represent our best current judgment, they are subject to risks and uncertainties that could cause actual results to vary, the specifics of which are detailed in disclosures with the heading "Risk Factors" in the Company's periodic filings with securities regulators. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. Forward-looking statements in this MD&A are made as of the date of this MD&A or, in the case of documents incorporated by reference herein, as of the date of such documents, and Carlin does not assume the obligation to update any forward looking statement.

Company Overview and Outlook

Carlin continued to maintain its core properties but did not complete any field exploration programs in the first quarter of 2010. Subsequent to the end of the quarter, the company terminated its agreements on the Whisky Canyon property (see below).

The Company is assessing ways to proceed that will allow it to advance its projects, identify and acquire new properties, while at the same time preserving funds to ensure that we can continue our business.

Cash Position of the Company

The Company's cash position at March 31, 2010, was $433,051 (2009 - $765,643). The Company's cash may not be sufficient to meet its corporate and exploration expenditures for the next year and additional financing may be required to complete future mineral exploration programs. Carlin's working capital position at March 31, 2010 was $883,040 (2009 - $1,072,369).

Nevada Exploration Projects

The Company currently controls three properties in Nevada through either lease agreements with property owners or direct ownership of unpatented mining claims. In addition to maintaining its existing property portfolio, the Company is also evaluating additional project opportunities. The principal projects are described below.

Cortez Summit, Eureka County

Although no field work was completed in the first quarter of 2010, the Company did commission an exploration assessment report of the property from an individual knowledgeable of the local area. This assessment resulted in the selection of drill targets and, the Company plans to utilize this information to submit a drill permit application later this year.

Willow Creek, Elko County

The Company did not complete any field work on the Willow Creek property in the first quarter of 2010. Later this year, drill hole roads constructed in 2008 will be sampled and mapped. As previously reported, Piedmont Mining Company is in default of its obligations with respect to the terminated Exploration Agreement and Option to Form Joint Venture. The default included failure to make payments, as well as a 2,175 foot shortfall in the firm 5,000 foot drilling commitment provided in the first year of the agreement. Piedmont did not cure these defaults, and the agreement was terminated before the end of 2009.

JDS, Eureka County, Nevada

The Company owns 77 claims, subject to 2% net smelter returns royalty. No field work was completed in the first quarter, although the Company is monitoring activity on the adjacent Red Hills property where NuLegacy Gold is earning in to a joint venture interest with owner Miranda Gold.

Whisky Canyon Property, Lander County

The Company completed a nine-hole, 4,000 foot drilling program in November 2009, testing the Yankee target, which was described in a news release dated October 7, 2009. The drill program confirmed the subsurface continuation of the Yankee gold anomaly which had been defined at the surface. Although gold assay results were commonly anomalous in the 0.100-0.300 grams/ton range, ore grade values were not encountered.

After evaluating the drill program results, and considering other possible target areas on the property, Carlin decided to terminate the three existing Whisky Canyon agreements (BET, Betty O'Neal, and Barrick) and wrote down its investment in the property to $20,000, being the estimated value of its remaining 100% ownership of 4 unpatented claims and 2 patented claims in the Whisky Canyon prospect area. This resulted in a $450,385 write-off of mineral property costs at the end of the period ended March 31, 2010.

Pine Grove, Lyon County

The Company has requested reimbursement of one of the two existing reclamation bonds, specifically the bond posted for work in the old Rockland Mine area. The Company expects reimbursement of the full amount of this $35,300 bond amount, as no work was ever completed under this bond. Later this year the Company will complete reclamation of the disturbance associated with the second reclamation bond ($34,700).

Results of Operations

The Company's consolidated net income for the three months ended March 31, 2010 was $449,326 (2009 - $33,589 loss).

At the beginning of 2010, the Company recorded the disposal of wholly-owned subsidiaries that were written off in the previous year and the cancellation of their shares. The following subsidiaries were affected:

Toquima Minerals Corporation (British Columbia) ("TQM")
Toquima Minerals US Inc. (Nevada) ("TQM US")
Aurelius Financial Corp. (B.V.I.) ("Aurelius")

Yunnan Carlin Mining Corp. (China) ("Yunnan Carlin")

The return and cancellation of the above companies' shares resulted in a $923,604 decrease to consolidated share capital and a gain for accounting purposes of $923,604, which amounts were included the financial results of the three month period ended March 31, 2010.

During the period, the Company incurred deferred costs of $5,220 (2009 – $90,034) for mineral property expenditures on its three core properties, and wrote-off $450,385 of costs on the Whisky Canyon property.

Operating costs before other items were $43,826 in the quarter compared with $54,156 in 2009. General and administrative expenses for the Company continued to remain at relatively low levels, consistent with the preceding year. Non-cash expense for stock option compensation for the year was $3,360 compared to $519 for the previous year.

During the three month period ended March 31, 2010, Carlin sold 15,000 shares of Romarco Minerals Inc. from its Marketable Securities holdings, for cash proceeds of $29,775. Carlin recorded a $25,632 gain on the sale of the shares, based on their book value of $4,143.

The Company recorded a decrease of $89,536 in other comprehensive income during the three month period ended March 31, 2010 (2009 - $173,258), due to a decrease in the value of its marketable securities since the beginning of 2010, and a decrease to the cost base of the marketable securities sold during the period. Carlin owns 2,000,000 free-trading shares of Constantine Metal Resources Ltd. (TSXV: CEM).

The following is a summary of certain consolidated financial information concerning the Company for each of the last eight quarters:

Quarter ended	Income (Loss)	Income (Loss) per share
March 31, 2010	$ 449,326	$ 0.01
December 31, 2009	172,506	0.01
September, 2009	(110,446)	(0.01)
June 30, 2009	(89,888)	(0.01)
March 31, 2009	(33,589)	(0.01)
December 31, 2008	(132,759)	(0.01)
September, 2008	(411,845)	(0.01)
June 30, 2008	(348,096)	(0.01)

Liquidity and Capital Resources

The Company had working capital of $883,040 at March 31, 2010 (2009 -$1,079,369). As at March 31, 2010, the Company had cash of $433,051 compared to $765,643 at March 31, 2009. The Company received $29,775 cash from the sale of marketable securities during the three months ended March 31, 2010:

Current assets excluding cash at March 31, 2010 consisted of accounts receivable, prepaid expenses, and marketable securities totaling $460,66 (2009 - $327,300). The Company owns shares in 2 publicly traded mineral exploration companies, including 2,000,000 shares of Constantine Metal Resources Ltd. (TSXV: CEM).

Current liabilities of $24,560 (2009 - $37,765) were comprised of trade accounts payable and accrued liabilities in the normal course of business, and included $2,046 (2009 - $3,337) payable to a related party.

The Company is dependent on equity capital to fund exploration and development of its mineral properties. Carlin will require additional working capital in the near term to fund planned exploration work and ongoing operating expenditures. Actual funding requirements may vary from those planned due to a number of factors, including the timing and progress of exploration activities.

Transactions with Related Parties

For the 3 months ended March 31,		2010		2009
Administration and consulting fees paid to a company controlled by the president	$	3,000	$	3,000
Technical consulting fees and expenses paid to directors		4,420		12,758
Accounting and administration fees paid to a company 50% owned by an officer and director		10,500		10,500
	$	17,920	$	26,258

At March 31, 2010, accounts payable and accrued liabilities totaling $3,650 (2009 - $3,337) were payable to a related party. This amount was incurred in the ordinary course of business, is non-interest bearing, unsecured and due on demand.

Outstanding Share Data

Carlin's authorized capital is an unlimited number of common shares without par value. As at May 27, 2010, the following common shares, options and share purchase warrants were outstanding:

The Company has 41,271,567 common shares outstanding.

The Company's outstanding stock options are as follows:

	Number	Vested (exercisable)	Exercise Price per Share	Expiry Date
Issued in 2005	800,000	800,000	$0.13	June 27, 2010
Issued in 2006	375,000	375,000	$0.28	July 17, 2011
Issued in 2006	50,000	50,000	$0.28	October 17, 2011
Issued in 2007	75,000	75,000	$0.28	March 7, 2012
Issued in 2007	100,000	100,000	$0.28	August 12, 2012
Issued in 2009	600,000	150,000	$0.11	October 9, 2014
	2,000,000	1,550,000		

Future Accounting Changes

International Financial Reporting Standards ("IFRS")

In January 2006, the Canadian Accounting Standards Board adopted a strategic plan, which includes the decision to move financial reporting for Canadian publicly accountable enterprises to a single set of globally accepted standards, IFRS, as issued by the International Accounting Standards Board. The effective implementation date of the conversion from Canadian generally accepted accounting principles ("Canadian GAAP") to IFRS is January 1, 2011, with an effective transition date of January 1, 2010 for financial statements prepared on a comparative basis. The Company is engaged in an assessment and conversion process which includes consultation with external consulting firms and expects to be ready for the conversion to IFRS in advance of January 1, 2011. .

The Company's approach to the conversion to IFRS includes three phases.

- Phase One, an initial general diagnostic of its accounting policies and Canadian GAAP relevant to its financial reporting requirements to determine the key differences and options with respect to acceptable accounting standards under IFRS. This phase was completed in late 2009.
- Phase Two, an in-depth analysis of the IFRS impact in those areas identified under Phase One. This phase commenced in 2009 and is nearing completion. A summary of this analysis is provided in Table 1 below.
- Phase Three, the implementation of the conversion process, including the completion of the opening balance sheet as at January 1, 2010 together with related discussion and notes, will be carried out in the second half of 2010.

At this point, the Company's IT accounting and financial reporting systems are not expected to be significantly impacted.

The above comments, including the summary in Table 1, should not be considered as a complete and final list of the changes that will result from the transition to IFRS as the Company intends to maintain a current and proactive approach based on changes in circumstances and no final determinations have been made. In addition, the accounting bodies responsible for issuing Canadian and IFRS accounting standards have significant ongoing projects that could impact the Company's financial statements as at January 1, 2011 and in subsequent years, including projects regarding financial instruments and joint venture accounting. In addition, there is an extractive industries project currently underway that will lead to more definitive guidance on the accounting for exploration and evaluation expenditures, although this is still in the discussion paper stage and may not be completed for some time. The Company is continuing to monitor the development of these projects and will assess their impact in the course of its transition process to IFRS.

Table 1: Summary of Financial Statements Impact on Transition from Canadian GAAP to IFRS.

Key Area	Canadian GAAP (as currently applied)	IFRS	Analysis and preliminary conclusions
Mineral properties	Exploration, evaluation and development costs are capitalized when incurred. They are amortized on the basis of production or written off when the prospect is no longer deemed prospective or is abandoned.	IFRS has limited guidance with respect to these costs and currently allows exploration and evaluation costs to be either capitalized or expensed.	The existing accounting policy is likely to be maintained.
Impairment of long lived assets	Impairment tests of its long-term assets are considered annually based on indications of impairment. Impairment tests are generally done on the basis of undiscounted future cash flows.	Impairment tests of "cash generating units" are considered annually in the presence of indications of impairment. Impairment tests are generally carried out using the discounted future cash flows.	Assets will continue to be grouped under the Company's various mining operations. Currently, there are no indications of impairment and, therefore, no impairment test has been performed. Impairment tests using discounted values could generate a greater likelihood of write downs in the future.

	Write-downs to net realizable values under an impairment test are permanent changes in the carrying value of assets.	Write downs to net realizable values under an impairment test can be reversed if the conditions of impairment cease to exist.	Potential significant volatility in earnings could arise as a result of the difference in the treatment of write-downs.
Stock-based compensation	Stock-based compensation is determined using fair value models (e.g. Black-Scholes) for equity-settled awards and the intrinsic model for cash-settled awards.	Stock-based compensation is determined using fair value models for all awards. However, upon settlement, cash-settled awards are adjusted to the value actually realized (intrinsic model).	The utilization of fair value models for cash-settled awards will change the estimate of the related liability while the awards remain outstanding and create greater volatility in earnings until the awards are settled.
	The Company recognizes stock-based compensation on straight line method and updates the value of the options for forfeitures as they occur.	Under IFRS, stock-based compensation is amortized under the graded method only. In addition, the Company is required to update its value of options for each reporting period for expected forfeitures.	The Company expects no significant adjustments to its income statement and balance sheet at January 1, 2010.
Income taxes	There is no exemption from recognizing a deferred income tax for the initial recognition of an asset or liability in a transaction that is not a business combination. The carrying amount of the asset or liability acquired is adjusted for the amount of the deferred income tax recognized.	A deferred income tax is not recognized if it arises from the initial recognition of an asset or liability in a transaction that is not a business combination, and at the time of the transaction affects neither accounting profit nor taxable profit.	The Company does not expect the difference in recognition of deferred income tax to have any significant change in the future.
	All deferred income tax assets are recognized to the extent that it is “more likely than not” that the deferred income tax assets will be realized.	A deferred tax asset is recognized if it is “probable” that it will be realized.	“Probable” in this context is not defined and does not necessarily mean “more likely than not”. The Company is in the final stages of quantifying the impact of this difference.

The above assessment and conclusions are based on the analysis completed by the Company as of the date of this report and may be subject to change between now and January 1, 2011.

Disclosure Controls and Procedures

Management is responsible for the design, establishment and maintenance of disclosure controls and procedures over the public disclosure of financial and non-financial information regarding the Company and internal control over financial reporting to provide reasonable assurance regarding the integrity of the

Company's financial information and reliability of its financial reporting. Management maintains appropriate information systems, procedures and controls to ensure integrity of the financial statements and to ensure that information used internally and disclosed externally is complete and reliable.

Corporate Governance

Management of the Company is responsible for the preparation and presentation of the interim and annual financial statements and notes thereto, MD&A and other information contained in this MD&A. Additionally, it is management's responsibility to ensure the Company complies with the laws and regulations applicable to its activities.

The Company's management is held accountable to the Board of Directors ("Directors"), each member of which is elected annually by the shareholders of the Company. The Directors are responsible for reviewing and approving the annual audited financial statements and MD&A. Responsibility for the review and approval of the Company's unaudited interim financial statements and MD&A is delegated by the Directors to the Audit Committee, which is comprised of three directors, two of whom are independent of management. Additionally, the Audit Committee pre-approves audit and non-audit services provided by the Company's auditors.

The auditors are appointed annually by the shareholders to conduct an audit of the financial statements in accordance with generally accepted auditing standards. The external auditors have complete access to the Audit Committee to discuss the audit, financial reporting and related matters resulting from the annual audit as well as assist the members of the Audit Committee in discharging their corporate governance responsibilities.

Approval

Mr. Robert Thomas, a director of the Company and a Qualified Person, has reviewed and approved the technical information contained in this report.

The Board of Directors of the Company has approved the disclosure contained in this annual MD&A. A copy of this annual MD&A will be provided to anyone who requests it.

Additional Information

Additional disclosures pertaining to the Company's technical report, management information circulars, material change reports, press releases and other information are available on the SEDAR website at www.sedar.com.