HomeStreet, Inc.
Form 4
January 14, 2014

FORM 4

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. *See* Instruction 1(b).

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
WILLIAMS BRUCE W

(Last) (First) (Middle)

601 UNION STREET, SUITE 2000

(Street)

SEATTLE, WA 98101

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol
HomeStreet, Inc. [HMST]

3. Date of Earliest Transaction (Month/Day/Year)
01/10/2014

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

__X__ Director _____ 10% Owner
_____ Officer (give title below) _____ Other (specify below)

6. Individual or Joint/Group Filing(Check Applicable Line)
_X_ Form filed by One Reporting Person
___ Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	01/10/2014		A		252 (1)	A	$ 0	198,948.8 (2)	D	
Common Stock								19,252.644	I	HomeStreet, Inc. 401(k) Savings Plan (3)
Common Stock								163,128	I	Marina S. Williams Trust (4)
Common Stock								2,188.4	I	Marina S. Williams Trust (5)
Common Stock								150,076.8	I	Estate of Walter B. Williams (6)

Common Stock	150,073.6	I	Estate of Marie W. Williams (7)
Common Stock	55,281.6	I	Karen M. Zimmerman Trust (8)
Common Stock	55,281.6	I	Steven W. Zimmerman Trust (9)
Common Stock	750.4	I	Andrew Alvaro Mullins-Williams 2005 Trust (10)
Common Stock	1.2	I	William B. Williams Interim Trust (11)
Common Stock	0.4	I	Gro A. Buer (12)

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(*e.g.*, puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Nu Deriv Secur Bene Own Follo Repo Trans (Instr
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares		

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
	X			

WILLIAMS BRUCE W
601 UNION STREET, SUITE 2000
SEATTLE, WA 98101

Signatures

/s/ Godfrey B. Evans, attorney in fact for Bruce W. Williams	01/14/2014
**Signature of Reporting Person	Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) Stock issued based on Directors' compensation policy paid quarterly.

(2) 31,547.2 shares held jointly with Gro A. Buer, Mr. Williams's spouse.

(3) Participants in HomeStreet, Inc.'s 401(k) Savings Plan have the authority to direct voting of shares they hold through such plan.

(4) Mr. Williams is the co-trustee with Gro A.Buer for the Marina S. Williams Trust dated 12/25/95. Mr. Williams disclaims beneficial ownership of these shares except to the extent of any pecuniary interest he may have therein.

(5) Mr. Williams is the sole trustee for the Marina S. Williams Trust dated 12/23/03. Mr. Williams disclaims beneficial ownership of these shares except to the extent of any pecuniary interest he may have therein.

(6) Mr. Williams is the executor of the estate of Walter B. Williams. Mr. Williams disclaims beneficial ownership of these shares except to the extent of any pecuniary interest he may have therein.

(7) Mr. Williams is the executor of the estate of Marie W. Williams. Mr. Williams disclaims beneficial ownership of these shares except to the extent of any pecuniary interest he may have therein.

(8) Mr. Williams is the sole trustee of the Karen M. Zimmerman Trust dated 12/22/2000. Mr. Williams disclaims beneficial ownership of these shares except to the extent of any pecuniary interest he may have therein.

(9) Mr. Williams is the sole trustee of the Steven W. Zimmerman Trust dated 12/22/2000. Mr. Williams disclaims beneficial ownership of these shares except to the extent of any pecuniary interest he may have therein.

(10) Mr. Williams is the sole trustee for the Andrew Alvaro Mullins-Williams Trust dated 11/29/2005. Mr. Williams disclaims beneficial ownership of these shares except to the extent of any pecuniary interest he may have therein.

(11) Mr. Williams is the sole trustee of the Walter B. Williams Interim Trust. Mr. Williams disclaims beneficial ownership of these shares except to the extent of any pecuniary interest he may have therein.

(12) Held individually by Gro A. Buer, Mr. Williams's spouse. Mr. Williams disclaims beneficial ownership of these shares except to the extent of any pecuniary interest he may have therein.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.
Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number. e="DISPLAY: block; MARGIN-LEFT: 0pt; TEXT-INDENT: 0pt; MARGIN-RIGHT: 0pt" align="center">

3,100,000

2.75

$0.47

1,212,500

$0.52

The weighted-average grant-date fair value of options granted during the three months ended April 30, 2007 was $0.65. At April 30, 2007 there was $207,306 of total unrecognized compensation costs related to non-vested stock options granted under the Plan, which will be recognized over a period not to exceed three years. At April 30, 2007, 2,100,000 shares were available for future grants under the Stock Option Plan.

NOTE 9 - RELATED PARTY TRANSACTIONS

Prepayment of Airplane Time from Officer
In December 2006 Firstgold purchased 600 hours of airplane usage from the Chairman and Chief Executive Officer of Firstgold for $120,000 at a rate of $200 per hour. The airplane is to be used by Firstgold for commuting to and from Nevada to the various mine sties and the Lovelock, NV office. Based on current market rental rates for similar planes Firstgold believes that the current market hourly rate is substantially above its contract rate of $200 per hour. During the quarter ended April 30, 2007 $4,760 of airplane time was used by Firstgold.

Advance to Officer
In January 2007 Firstgold made a temporary travel advance of $100,000 to the Chairman and Chief Executive Officer. This amount had been fully repaid by April 30, 2007.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATIONS

Caution About Forward-Looking Statements

This Form 10-QSB includes "forward-looking" statements about future financial results, future business changes and other events that haven't yet occurred. For example, statements like Firstgold "expects," "anticipates" or "believes" are forward-looking statements. Investors should be aware that actual results may differ materially from Firstgold's expressed expectations because of risks and uncertainties about the future. Firstgold does not undertake to update the information in this Form 10-QSB if any forward-looking statement later turns out to be inaccurate. Details about risks affecting various aspects of Firstgold's business are discussed throughout this Form 10-QSB and should be considered carefully.

Plan of Operation for the Next Twelve Months

Certain key factors that have affected our financial and operating results in the past will affect our future financial and operating results. These include, but are not limited to the following:

- Gold prices, and to a lesser extent, silver prices;

- Current mineralization at the Relief Canyon Mine are estimated by us (based on past exploration by Firstgold and work done by others).

- Our proposed exploration of properties now include 146 millsite and unpatented mining claims contained in about 1000 acres of the Relief Canyon Property and the 35,000 acre Antelope Peak property.

- Our operating plan is to commence exploration work on the Relief Canyon mining property during 2007. We expect this exploration program to continue through the end of 2007. During 2007, we plan to resume heap leaching at the Relief Canyon mine and we anticipate realizing production revenue from the Relief Canyon mine thereafter. Through the sale of additional securities and/or the use of joint ventures, royalty arrangements and partnerships, we intend to progressively enlarge the scope and scale of our exploration, mining and processing operations, thereby potentially increasing our chances of locating commercially viable ore deposits which could increase both our annual revenues and ultimately our net profits. Our objective is to achieve annual growth rates in revenue and net profits for the foreseeable future.

- We expect to make capital expenditures in calendar years 2007, 2008 and 2009 of between $10 million and $15 million, including costs related to the exploration, development and operation of the Relief Canyon mining property. We will have to raise additional outside capital to pay for these activities and the resumption of exploration activities and possible future production at the Relief Canyon mine.

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- Additional funding or the utilization of other venture partners will be required to fund exploration, research, development and operating expenses at the Antelope Peak property. In the past we have been dependent on funding from the private placement of our securities as well as loans from related and third parties as the sole sources of capital to fund operations.

Results of Operation

Our current business strategy is to invest in, explore and if warranted, conduct mining operations of our current mining properties and other mineral producing properties. Firstgold is a public company that in the past has been engaged in the exploration, acquisition and development of gold-bearing properties in the continental United States. Currently, our principal assets include various mineral leases associated with the Relief Canyon Mine located near Lovelock, Nevada along with various items of mining equipment and improvements located at that site. We have also entered into (i) a joint venture intended to allow exploration of additional mining properties located in Lander County, Nevada (and currently subject to litigation) and (ii) a mineral lease to explore approximately 35,000 acres of property located in Elko County, Nevada.

Operating Results for the Fiscal Quarters Ended April 30, 2007 and 2006

Although we commenced efforts to re-establish its mining business early in fiscal year 2004, no mining operations have commenced and no revenues have been recognized during the quarters ended April 30, 2007 and 2006, respectively. We have granted a 4% net smelting return royalty to a third party related to the Relief Canyon mining property which has been recorded as an $800,000 deferred option income.

During the quarter ended April 30, 2007 we spent $126,681 exploration, reclamation and maintenance expenses related to our mining properties. Reclamation and maintenance expenses expended during the same quarter ended April 30, 2006 were $69,510. These expenses relate primarily to maintenance and retention costs required to maintain our mining claims. The increase in costs was due to extensive refurbishment at the Relief Canyon mine and the resumption of exploration drilling. We incurred operating expenses of $985,685 during the quarter ended April 30, 2007. Of this amount, $222,933 reflects outside director compensation expense, $188,769 reflects promotion expense, $93,500 reflects officer compensation and related payroll taxes during the quarter and $124,533 reflect fees for outside professional services. A large portion of the outside professional services reflects legal and accounting work pertaining to our annual and quarterly reporting on Form 10-KSB and Form 10-QSB occurring in fiscal year 2008 as well as our filed Form SB-2. During the quarter ended April 30, 2006 we incurred operating expenses of $247,729 of which $93,500 represented officer compensation and related payroll taxes and $138,864 reflected fees for outside professional services. It is anticipated that both mining costs and operating expenses will increase significantly as we resume our exploration program and mining operations.

We incurred interest expense of $247,959 during the quarter ended April 30, 2007 which compares to interest expenses of $85,990 incurred during the same quarter of 2006. The principal balance of loans outstanding during the first quarter of fiscal year 2008 increased by $2,525,772 compared to first quarter of fiscal year 2007, which was primarily the result of an increase in convertible debentures. The increase in additional interest expense during the quarter ended April 30, 2007 was primarily due to the increase in the principal balance of loans outstanding.

In conjunction with the Convertible Debenture issued on March 16, 2007, we allocated the proceeds received between convertible debt and the detachable warrants based upon the relative fair market values on the date the proceeds were received. Subsequent to the initial recording, the change in the fair value of the detachable warrants, determined under the Black-Scholes option pricing formula, and the change in the fair value of the embedded derivative in the conversion feature of the convertible debentures are recorded as adjustments to the liabilities at April 30, 2007. This resulted in $1,623,255 of expense relating to the change in the fair value of Firstgold’s stock reflected in the change in the fair value of the warrants and derivatives (noted above) and is included as other income (expense).

Our total net loss for the quarter ended April 30, 2007 increased to $2,977,614 compared to a net loss of $694,078 incurred for the same quarter ended April 30, 2006. The larger net loss in the first quarter of fiscal 2008 reflects the income effect of the adjustment to fair value of derivatives and higher interest expense as well as the increase in operating expenses as we reactivate our mining activities and a continued lack of revenues recognized during the quarter.

Liquidity and Capital Resources

We have incurred significant operating losses since inception and during the three months ended April 30, 2007 which has resulted in an accumulated deficit of $26,737,529 as of April 30, 2007. At April 30, 2007, we had cash and other current assets of $2,637,144 compared to $412,752 at January 31, 2007 and net working capital of $580,756. Since the resumption of our business in February 2003, we have been dependent on borrowed or invested funds in order to finance our ongoing operations. As of April 30, 2007, we had outstanding debentures and notes payable in the gross principal amount of $3,778,406 (net balance of $5,958,845 after $(2,365,659) of note payable discount and deferred financing costs and $4,546,098 of derivative liabilities) which reflects an increase in the gross principal balance of $2,525,772 compared to notes payable in the gross principal amount of $1,252,634, (net balance of $1,050,594 after $735,668 of note payable discount and deferred financing costs and $533,628 of derivative liabilities) as of April 30, 2006.

In January 2006 we made a cash deposit of $243,204 in a blocked account to cover future reclamation costs as required by the Nevada Division of Environmental Protection for the Relief Canyon Mine. On March 28, 2007 we provided the United States Department of the Interior, Bureau of Land Management with a letter of credit which is secured by a certificate of deposit in the amount of $613,500. On April 12, 2007 the Nevada Division of Environmental Protection returned the $243,204 previously held in the blocked account.

On September 26, 2006, we entered into a Securities Purchase Agreement (the “Purchase Agreement”) and other agreements, which were amended on November 1, 2006, with Cornell Capital Partners LP in connection with the private placement of convertible debentures, in the aggregate principal amount of $3,000,000 and bearing interest at 8% per annum (the “Debentures”). The Debentures were issued for $1,000,000 on September 26, 2006, $1,000,000 on December 1, 2006 and $1,000,000 on March 16, 2007. Each Debenture has a three (3) year term from the date of issue unless they are converted into shares of Firstgold Common Stock or are repaid prior to the expiration dates. The conversion rate is adjustable and at any conversion date, will be the lower of the Fixed Conversion Price of $0.4735 per share or 95% of the Market Conversion Price. Subsequent to the end of the first quarter, the Fixed Conversion Price was reduced to $0.45 per share. Consequently, the number of shares of Firstgold Common Stock into which the Debentures may be converted will never be less than 6,666,667 shares but could be substantially more if the average market price of Firstgold’s Common Stock falls below $0.45.

Firstgold paid a Commitment Fee to Cornell Capital Partners, LP of 9% of gross proceeds or a total of $270,000. Firstgold also paid Yorkshire Advisors, LLC (an affiliate of Cornell Capital Partners) a due diligence fee of $5,000 and a Structuring Fee of $20,000. Net proceeds to Firstgold from this financing were approximately $2,705,000.

On April 12, 2007 we received net proceeds of $2,374,200 upon the issuance of Units consisting of 5,673,110 shares of our common stock sold at $0.45 per Unit and warrants to purchase 2,836,555 shares of common stock at an exercise price of $0.65 per share. The warrants have a term of 18 months.

By attempting to resume mining operations, we will require approximately $10 million to $15 million in additional working capital above the amounts realized from the convertible debentures to bring the Relief Canyon Mine into full production. It is our intention to pursue several possible funding opportunities including the sale of additional securities, entering into joint venture arrangements, or incurring additional debt.

Due to our continuing losses from business operations, the independent auditor's report dated May 16, 2007, includes a "going concern" explanation relating to the fact that Firstgold's continuation is dependent upon obtaining additional working capital either through significantly increasing revenues or through outside financing. As of April 30, 2007, Firstgold's principal commitments included its obligation to pay ongoing maintenance fees on 78 unpatented mining claims, the funding arrangement pursuant to the joint venture with ASDi, LLC and the annual minimum rent due on the Winchell Ranch mineral lease.

Our management believes that it will need to raise additional capital to continue to develop, promote and conduct our mineral exploration. Due to our limited cash flow, operating losses and limited assets, it is unlikely that we could obtain financing through commercial or banking sources. Consequently, we are dependent on continuous cash infusions from our major stockholders or other outside sources in order to fund our current operations. Prior to the transactions with Cornell Capital Partners, Firstgold's president had paid a substantial portion of Firstgold's expenses since restarting its business in February 2003. Although we believe that our creditors and investors will continue to fund Firstgold's expenses based upon their significant debt and/or equity interest in Firstgold, there is no assurance that such investors will continue to pay our expenses. If adequate funds are not otherwise available, through public or private financing as well as borrowing from other sources, Firstgold would not be able to establish or sustain its mineral exploration program.

Off-Balance Sheet Arrangements

During the fiscal quarter ended April 30, 2007, Firstgold did not engage in any off-balance sheet arrangements as defined in Item 303(c) of the SEC's Regulation S-B.

Factors Affecting Future Operating Results

We are a development stage company and an investment in, or ownership position in our common stock is inherently risky. Some of these risks pertain to our business in general, and others are risks which would only affect our common stock. The price of our common stock could decline and/or remain adversely affected due to any of these risks and investors could lose all or part of an investment in our company as a result of any of these risks coming to pass. Readers of this Report should, in addition to considering these risks carefully, refer to the other information contained in this Report, including disclosures in our financial statements and all related notes. If any of the events described below were to occur, our business, prospects, financial condition, or results of operations or cash flow could be materially adversely affected. When we say that something could or will have a material adverse effect on Firstgold, we mean that it could or will have one or more of these effects. We also refer readers to the information in this Report, discussing the impact of Forward-Looking Statements on the descriptions contained in this Report and included in the Factors discussed below.

As a development stage company with an unproven business strategy, we may not be able to achieve positive cash flows and our limited history of operations makes evaluation of our future business and prospects difficult. We have been relatively inactive since April 2001. Consequently, we have only recently reactivated our business operations and we have not generated any revenues, other than interest and dividend income, since our reactivation. As a result, we have only a limited operating history upon which to evaluate our future potential performance. Our prospects must be considered in light of the risks and difficulties encountered by new companies which have not yet established their business operations.

We will need additional funds to finance our mining and exploration activities as well as fund our current operations. We currently have limited cash reserves and a working capital of $580,756 as of April 30, 2007. Consequently, our ability to meet our long-term obligations in the ordinary course of business is dependent upon our ability to raise additional capital through public or private equity financings, establish increasing cash flow from operations, enter into joint ventures or other arrangements with capital sources, or secure other sources of financing to fund operations.

Our prior and current independent certified public accountants have expanded their opinion contained in our financial statements as of and for the years ended January 31, 1997, through January 31, 2007 to include an explanatory paragraph related to our ability to continue as a going concern, stating, in the audit report dated May 16, 2007, that "the Company has incurred a net loss of $4,728,073 and had negative cash flow from operations of $2,397,495. In addition, the Company had an accumulated deficit of $23,758,605 and a shareholders' deficit of $4,245,793 at January 31, 2007." These factors, among others, as discussed in "Note 2- Going Concern" to the financial statements, raise substantial doubt about the Company's ability to continue as a going concern. The auditors recognize that the cash flow uncertainty makes their basic assumptions about value uncertain. When it seems uncertain whether an asset will be used in a "going concern" or sold at auction, the auditors assume that the business is a "going concern" for purposes of all their work, and then they disclose that there is material uncertainty about that assumption. It is definitely a consequence of our negative cash flows from operations that we continually need additional cash. At any time, a serious deficiency in cash flows could occur and it is not always possible or convenient to raise additional capital. A problem in raising capital could result in temporary or permanent insolvency and consequently potential claims by unpaid creditors and perhaps closure of the business. All of these things are possibilities. It is certain, in any case, that analysts and investors view unfavorably any report of independent auditors expressing substantial doubt about a company's ability to continue as a going concern.

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The price of gold has experienced an increase in value over the past five years, generally reflecting among other things relatively low interest rates in the United States; worldwide instability due to terrorism; and a slow recovery from prior global economic slumps. Any significant drop in the price of gold may have a materially adverse affect on the results of our operations unless we are able to offset such a price drop by substantially increased production.

We have no proven or probable reserves and have no ability to currently measure or prove our reserves other then estimating such reserves relying on information produced in the 1990's and thus may be unable to actually recover the quantity of gold anticipated. We can only estimate a potential mineral resource which is a subjective process which depends in part on the quality of available data and the assumptions used and judgments made in interpreting such data. There is significant uncertainty in any resource estimate such that the actual deposits encountered or reserves validated and the economic viability of mining the deposits may differ materially from our expectations.

Gold exploration is highly speculative in nature. Success in exploration is dependent upon a number of factors including, but not limited to, quality of management, quality and availability of geological data and availability of exploration capital. Due to these and other factors, the probability of our exploration program identifying individual prospects having commercially significant reserves cannot be predicted. It is likely that many of the claims explored will not contain any commercially viable reserves. Consequently, substantial funds will be spent on exploration which may identify only a few, if any, claims having commercial development potential. In addition, if commercially viable reserves are identified, significant amounts of capital will be required to mine and process such reserves.

Our mining property rights consist of 78 mill site and unpatented mining claims at the Relief Canyon Mine, our interest in the Crescent Red Caps LLC and our leasehold interest in the Antelope Peak property. The validity of unpatented mining claims is often uncertain and is always subject to contest. Unpatented mining claims are generally considered subject to greater title risk than patented mining claims, or real property interests that are owned in fee simple. In addition, the validity of the lease assignments pertaining to the Crescent Valley and Red Caps properties are currently being contested by the lessors. If title to a particular property is successfully challenged, we may not be able to carryout exploration programs on such property or to retain our royalty interests on that property should production take place, which could reduce our future revenues.

Mining is subject to extensive regulation by state and federal regulatory authorities. State and federal statutes regulate environmental quality, safety, exploration procedures, reclamation, employees' health and safety, use of explosives, air quality standards, pollution of stream and fresh water sources, noxious odors, noise, dust, and other environmental protection controls as well as the rights of adjoining property owners. We believe that we are currently operating in substantial compliance with all known safety and environmental standards and regulations applicable to our Nevada property. However, there can be no assurance that our compliance could be challenged or that future changes in federal or Nevada laws, regulations or interpretations thereof will not have a material adverse affect on our ability to resume and sustain mining operations.

The business of gold mining is subject to certain types of risks, including environmental hazards, industrial accidents, and theft. Prior to suspending operations, we carried insurance against certain property damage loss (including business interruption) and comprehensive general liability insurance. While we maintained insurance consistent with industry practice, it is not possible to insure against all risks associated with the mining business, or prudent to assume that insurance will continue to be available at a reasonable cost. We have not obtained environmental liability insurance because such coverage is not considered by management to be cost effective. We currently carry no insurance on any of our properties due to the current status of the our mining properties and our current financial condition.

We are substantially dependent upon the continued services of A. Scott Dockter, our President. While we have an employment agreement with Mr. Dockter, there is no key person life insurance or disability insurance on Mr. Dockter. While Mr. Dockter expects to spend the majority of his time assisting Firstgold, there can be no assurance that Mr. Dockter's services will remain available to Firstgold. If Mr. Dockter's services are not available to us, we would be materially and adversely affected. However, Mr. Dockter is a significant stockholder of Firstgold and considers his investment of time and money in Firstgold of significant personal value.

We have entered into a joint venture agreement intended to pursue the exploration of two mining properties leased by ASDi LLC whose sole manager and majority member is A. Scott Dockter, President and CEO of Firstgold. Consequently, Mr. Dockter has a conflict of interest in this joint venture. Furthermore, ASDi LLC will initially hold a 77.78% interest in a Nevada limited liability company called Crescent Red Caps LLC through which the joint venture will be operated. While Firstgold will be the sole manager of the Crescent Red Caps LLC, Mr. Dockter will be able to control the joint venture activities through his position with the Manager (Firstgold) and through his ownership and control of the majority member (ASDi LLC). While Mr. Dockter will endeavor to always act in the best interest of Firstgold and its stockholders, stockholders will have only limited ability to influence or object to actions taken by the Crescent Red Caps LLC in exploring, developing and capital spending on the joint venture properties.

As of May 31, 2007, Firstgold had approximately 87,727,722 shares of Common Stock outstanding and convertible debentures which are convertible into up to 8,111,111 shares of our Common Stock. Additionally, warrants to purchase a total of 26,794,271 shares of our Common Stock were outstanding as of May 31, 2007. Furthermore, up to an additional 10,000,000 shares of Common Stock could become issuable to the convertible debenture holders if a default were to occur. The possibility that substantial amounts of our outstanding Common Stock may be sold by investors or the perception that such sales could occur, often called "equity overhang," could adversely affect the market price of our Common Stock and could impair our ability to raise additional capital through the sale of equity securities in the future

At the time of entering into the $3,000,000 Secured Convertible Debentures (“Convertible Debentures”) with Cornell Capital Partners, the Fixed Conversion Price was $0.4735 per share. However, subsequent to the end of the first quarter, the Fixed Conversion Price was adjusted downward to $0.45 per share which would equal approximately 6,666,667 shares if the entire principal were converted into Firstgold Common Stock. This represents the minimum number of shares issuable upon the conversion of the Convertible Debenture. However, if the market price for Firstgold Common Stock should drop below $0.45 per share, we would be required to issue substantially more shares of Common Stock upon the conversion of the Convertible Debentures. The issuance of significantly more shares at a lower conversion price would have a dilutive effect to our current stockholders.

Critical Accounting Policies

The discussion and analysis of our financial conditions and results of operations are based upon our financial statements, which have been prepared in accordance with generally accepted accounting principles in the United States. The preparation of financial statements requires management to make estimates and disclosures on the date of the financial statements. On an on-going basis, we evaluate our estimates, including, but not limited to, those related to revenue recognition. We use authoritative pronouncements, historical experience and other assumptions as the basis for making judgments. Actual results could differ from those estimates. We believe that the following critical accounting policies affect our more significant judgments and estimates in the preparation of our financial statements.

Exploration Stage Company

Effective January 1, 1995 (date of inception), Firstgold is considered a development stage company as defined in SFAS No. 7. Firstgold’s development stage activities consist of the development of several mining properties located in Nevada. Sources of financing for these development stage activities have been primarily debt and equity financing. Firstgold has, at the present time, not paid any dividends and any dividends that may be paid in the future will depend upon the financial requirements of Firstgold and other relevant factors.

Valuation of long-lived assets

Long-lived assets, consisting primarily of property and equipment, patents and trademarks, and goodwill, comprise a significant portion of our total assets. Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that their carrying values may not be recoverable. Recoverability of assets is measured by a comparison of the carrying value of an asset to the future net cash flows expected to be generated by those assets. The cash flow projections are based on historical experience, management’s view of growth rates within the industry, and the anticipated future economic environment.

Factors we consider important that could trigger a review for impairment include the following:

(a) significant underperformance relative to expected historical or projected future operating results,

(b) significant changes in the manner of its use of the acquired assets or the strategy of its overall business, and

(c) significant negative industry or economic trends.

When we determine that the carrying value of long-lived assets and related goodwill and enterprise-level goodwill may not be recoverable based upon the existence of one or more of the above indicators of impairment, we measure any impairment based on a projected discounted cash flow method using a discount rate determined by our management to be commensurate with the risk inherent in its current business model.

Deferred Reclamation Costs

In August 2001, the Financial Accounting Standards Board ("FASB") issued Statement of Financial Accounting Standards ("SFAS") No. 143, "Accounting for Asset Retirement Obligations," which established a uniform methodology for accounting for estimated reclamation and abandonment costs. The statement was adopted February 1, 2003. The reclamation costs will be allocated to expense over the life of the related assets and will be adjusted for changes resulting from the passage of time and revisions to either the timing or amount of the original present value estimate.

Prior to adoption of SFAS No. 143, estimated future reclamation costs were based principally on legal and regulatory requirements. Such costs related to active mines were accrued and charged over the expected operating lives of the mines using the UOP method based on proven and probable reserves. Future remediation costs for inactive mines were accrued based on management's best estimate at the end of each period of the undiscounted costs expected to be incurred at a site. Such cost estimates included, where applicable, ongoing care, maintenance and monitoring costs. Changes in estimates at inactive mines were reflected in earnings in the period an estimate was revised.

Exploration Costs

Exploration costs are expensed as incurred. All costs related to property acquisitions are capitalized.

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Mine Development Costs

Mine development costs consist of all costs associated with bringing mines into production, to develop new ore bodies and to develop mine areas substantially in advance of current production. The decision to develop a mine is based on assessment of the commercial viability of the property and the availability of financing. Once the decision to proceed to development is made, development and other expenditures relating to the project will be deferred and carried at cost with the intention that these will be depleted by charges against earnings from future mining operations. No depreciation will be charged against the property until commercial production commences. After a mine has been brought into commercial production, any additional work on that property will be expensed as incurred, except for large development programs, which will be deferred and depleted.

Reclamation Costs

Reclamation costs and related accrued liabilities, which are based on our interpretation of current environmental and regulatory requirements, are accrued and expensed, upon determination.

Based on current environmental regulations and known reclamation requirements, management has included its best estimates of these obligations in its reclamation accruals. However, it is reasonably possible that our best estimates of our ultimate reclamation liabilities could change as a result of changes in regulations or cost estimates.

Valuation of Derivative Instruments

FAS No. 133 "Accounting for Derivative Instruments and Hedging Activities" requires bifurcation of embedded derivative instruments and measurement of their fair value for accounting purposes. In determining the appropriate fair value, the Company uses the Black Scholes model as a valuation technique. Derivative liabilities are adjusted to reflect fair value at each period end, with any increase or decrease in the fair value being recorded in results of operations as Adjustments to Fair Value of Derivatives. In addition, the fair values of freestanding derivative instruments such as warrants are valued using Black Scholes models.

Recent Accounting Pronouncements

In February 2007, the FASB issued SFAS No. 159, "The Fair Value Option for Financial Assets and Financial Liabilities" (SFAS 159). Under the provisions of SFAS 159, Companies may choose to account for eligible financial instruments, warranties and insurance contracts at fair value on a contract-by-contract basis. Changes in fair value will be recognized in earnings each reporting period. SFAS 159 is effective for financial statements issued for fiscal years beginning after November 15, 2007, and interim periods within those fiscal years. The Company is required to and plans to adopt the provisions of SFAS 159 beginning in the first quarter of 2008. The Company is currently assessing the impact of the adoption of SFAS 159.

ITEM 3. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures.

We carried out an evaluation, under the supervision and with the participation of management, including our principal executive officer and principal financial officer, of the effectiveness of the design and operation of our disclosure controls and procedures (as defined under Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended) as of the end of the quarter covered by this report. Based upon that evaluation, our principal executive officer and principal financial officer concluded that our disclosure controls and procedures are effective in timely alerting them to material information relating to us (including our consolidated subsidiary) that is required to be included in our periodic reports.

Changes in Internal Control Over Financial Reporting.

There was no change in our internal control over financial reporting that occurred during the period covered by this report that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II - OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

On April 3, 2007, a preliminary hearing was held regarding the Belaustegui v. ASDi LLC lawsuit in which the defendants sought a Summary Judgment to have two leasehold termination notices relating to the Crescent Valley and Red Caps leases declared void. The Court did not grant the defendants' motions thus requiring the matter to proceed to trial on the merits. In addition, on May 11, 2007 the Court entered an injunction against public claims of ownership of the two mining properties by defendants. Until this matter is resolved, Crescent Red Caps LLC and/or Firstgold will make limited expenditures on exploration expenses on the leased properties.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

Sales of Unregistered Securities During the Quarter

As previously reported on Form 8-K, on April 12, 2007, Firstgold sold 5,673,110 Units at $0.45 per Unit. Each Unit consisted of one share of Firstgold common stock and 1/2 warrant to purchase an additional share of Firstgold common stock at an exercise price of $0.65 per share. The warrants expire 18 months from the date of issuance. The Units were offered and sold exclusively to individuals residing or entities formed outside the United States and are not deemed to be "U.S. persons" as that term is defined under Regulation S. Each investor represented that it is purchasing such Units for its own account. Both the offer and the sale of the Firstgold Units were made outside the United States and are deemed to be "offshore transactions" as that term is defined under Regulation S. The share certificates and warrant agreements contain a legend indicating that such shares and warrants can only be transferred in compliance with the provisions of Regulation S. In light of the foregoing, such sales were deemed exempt from registration pursuant to Regulation S of the Securities Act of 1933 (the "Securities Act"). The shares are deemed to be "restricted securities" as defined in Rule 144 under the Securities Act.

The following issuances of stock, warrants, and other equity securities were made without any public solicitation to a limited number of investors or related individuals or entities in separately negotiated transactions. Each investor represented to us that the securities were being acquired for investment purposes only and not with an intention to resell or distribute such securities. Each of the individuals or entities had access to information about our business and financial condition and was deemed capable of protecting their own interests. The stock, warrants and other securities were issued pursuant to the private placement exemption provided by Section 4(2) or Section 4(6) of the Securities Act or Regulation S under the Securities Act. These are deemed to be "restricted securities" as defined in Rule 144 under the Securities Act and the option certificates and stock certificates bear a legend limiting the resale thereof.

During the quarter ended April 30, 2007 Firstgold's president exercised options to purchase 2,340,013 shares of Firstgold common stock at an exercise price of $0.15 per share.

On March 28, 2007 the Board approved the issuance of options to purchase 250,000 shares of Firstgold common stock to each of its three independent directors. The options have an exercise price of $0.65 per share and a 10 year term. The options were issued from the 2006 Stock Option Plan.

Prior issuances of Firstgold's common stock or other securities during fiscal years 2007, 2006 and 2005 have been reported in Firstgold's prior filings with the Securities and Exchange Commission.

ITEM 6. EXHIBITS

31.1 Certification of CEO pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.

31.2 Certification of CFO pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.

32	Certification by CEO and CFO pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

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SIGNATURES

In accordance with the requirements of the Securities Exchange Act of 1934, the Registrant has caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

FIRSTGOLD CORP.

Dated: **June 19, 2007** By: /s/ SCOTT DOCKTER
A. Scott Dockter, President and Chief Executive Officer

/s/ JAMES KLUBER
James Kluber, Principal Accounting Officer and Chief Financial Officer

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