

BRIDGEPORT VENTURES INC.
(An Exploration Stage Enterprise)

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE THREE MONTHS ENDED JULY 31, 2010

Introduction

The following management's discussion and analysis ("MD&A") of the financial condition and results of the operations of Bridgeport Ventures Inc. (the "Company" or "Bridgeport") constitutes management's review of the factors that affected the Company's financial and operating performance for the three months ended July 31, 2010. This MD&A was written to comply with the requirements of National Instrument 51-102 – Continuous Disclosure Obligations. This discussion should be read in conjunction with the audited annual consolidated financial statements of the Company for the fiscal year ended April 30, 2010, together with the notes thereto, and the unaudited interim consolidated financial statements for the three months ended July 31, 2010, together with the notes thereto. Results are reported in Canadian dollars, unless otherwise noted. The unaudited interim consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("Canadian GAAP") for interim financial reporting and, accordingly, do not include all of the information and notes required by Canadian GAAP for annual financial statements. In the opinion of management, all adjustments (which consist only of normal recurring adjustments) considered necessary for a fair presentation have been included. The results for the interim periods presented are not necessarily indicative of the results that may be expected for any future period. Information contained herein is presented as at September 13, 2010, unless otherwise indicated.

For the purposes of preparing this MD&A, management, in conjunction with the Board of Directors, considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of Bridgeport common shares; or (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) if it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board of Directors, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

Further information about the Company and its operations can be obtained from the offices of the Company or on SEDAR at www.sedar.com.

Cautionary Note Regarding Forward-Looking Information

This MD&A contains certain forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to herein as "forward-looking statements"). These statements relate to future events or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates" or "believes", or variations of, or the negatives of, such words and phrases, or state that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in such forward-looking statements. The forward-looking statements in this MD&A speak only as of the date of this MD&A or as of the date specified in such statement. Specifically, this MD&A includes, but is not limited to, forward-looking statements regarding: the potential of Bridgeport's properties to contain economic precious and base metal deposits; the Company's ability to meet its working capital needs at the current level for the twelve-month period ending July 31, 2011; the plans, costs, timing and capital for future exploration and development of Bridgeport's property interests, including the costs and potential impact of complying with existing and proposed laws and regulations and the availability of requisite regulatory approvals; management's outlook regarding future trends; sensitivity analysis on financial instruments, which may

vary from amounts disclosed; prices and price volatility for precious and base metals; and general business and economic conditions.

Inherent in forward-looking statements are risks, uncertainties and other factors beyond Bridgeport's ability to predict or control. These risks, uncertainties and other factors include, but are not limited to, precious and base metal deposits, price volatility, changes in debt and equity markets, timing and availability of external financing on acceptable terms or at all, the uncertainties involved in interpreting geological data and confirming title to the Company's properties, the possibility that future exploration results will not be consistent with Bridgeport's expectations, increases in costs, environmental compliance and changes in environmental and other local legislation and regulation, interest rate and exchange rate fluctuations, changes in economic and political conditions, the availability of requisite regulatory approvals and other risks involved in the precious and base metal and development industry, as well as those risk factors listed in the "Risks and Uncertainties" section below. Readers are cautioned that the foregoing list of factors is not exhaustive of the factors that may affect the forward-looking statements. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this MD&A. Such statements are based on a number of assumptions that may prove to be incorrect, including, but not limited to, assumptions about the following: the availability of financing for Bridgeport's exploration and development activities; operating and exploration costs; the Company's ability to retain and attract skilled staff; timing of the receipt of regulatory and governmental approvals for exploration projects and other operations; market competition; and general business and economic conditions.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause Bridgeport's actual results, performance or achievements to be materially different from any of its future results, performance or achievements expressed or implied by forward-looking statements. All forward-looking statements herein are qualified by this cautionary statement. Accordingly, readers should not place undue reliance on forward-looking statements. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking statements, whether as a result of new information or future events or otherwise, except as may be required by law. If the Company does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements, unless required by law.

Description of Business

The Company was incorporated pursuant to the Business Corporations Act on May 10, 2007. The principal business of the Company is the acquisition, exploration and development of properties for the mining of precious and base metals. The principal office of the Company is located at 36 Toronto Street, Suite 1000, Toronto, Ontario, M5C 2C5.

The Company is a reporting issuer under applicable securities legislation in the provinces of Alberta, British Columbia and Ontario, and the common shares of the Company are listed on the Toronto Stock Exchange (the "TSX") under the symbol "BPV". In addition, the warrants of the Company trade under the symbol "BPV.WT".

The Company has one subsidiary, Rio Condor Resources S.A. ("Rio Condor"), which exists under the laws of Chile. The Company holds all of the issued and outstanding shares of Rio Condor other than one common share of Rio Condor that is held by a local individual, as required under Chilean law. References to "Bridgeport" in this MD&A refer to the Company and Rio Condor taken as a whole.

The Company has no revenues, so its ability to ensure continuing operations is dependent on its completing the acquisition of its mineral property interests, the discovery of economically recoverable

reserves, confirmation of its interest in the underlying mineral claims, and its ability to obtain necessary financing to complete the exploration activities, development and future profitable production.

Bridgeport's goal is to deliver superior returns to shareholders by concentrating on the acquisition of properties that have the potential to contain precious and base metals. The Company currently plans to focus on certain properties, as set out below under "Mineral Exploration Properties".

Overall Performance

- Bridgeport has completed Phase One of the diamond drill program on its Rosario property, which commenced on April 27, 2010, and was completed on June 18, 2010. On July 11, 2010 Bridgeport commenced the second phase of the diamond-drilling program on its Rosario property and two diamond drill holes have thus far been completed. Selection of drill sites for the remainder of the Phase Two drill program is pending collection of geophysical surveys. The Phase Two program is designed to follow up on the most promising targets developed during the Phase One program;
- On August 24, 2010, the transaction with China Opportunity Inc. ("COI") closed and Bridgeport received \$20,000 cash and 400,000 common shares of COI in accordance with the terms of the Agreement (defined herein). See "McCart Township Project" under "Mineral Exploration Properties" below.
- The Company spent \$581,594 during the three months ended July 31, 2010 (three months ended July 31, 2009 - \$2,100), on exploration activities on its mineral properties. At July 31, 2010, the Company had mineral exploration properties valued at \$4,422,054 (April 30, 2010 - \$3,840,460; and July 31, 2009 - \$213,140). See "Mineral Exploration Properties" below.
- At July 31, 2010, the Company had working capital of \$9,927,963 (April 30, 2010 – \$10,942,645; July 31, 2009 – \$36,484). The Company had \$9,834,942 in cash and cash equivalents ("total cash") (April 30, 2010 - \$11,137,382; July 31, 2009 – \$83,639). The decrease in total cash and working capital during the three months ended July 31, 2010, was primarily due to cash expenditures on the Company's mineral properties (as discussed above), and operating expenses.

Trends

The Company anticipates that it will continue to experience net losses as a result of ongoing exploration and development activities on its mineral properties and operating costs until such time as revenue-generating activity is commenced. The Company's future financial performance is dependent on many external factors. Both the price of, and the market for, copper, silver, gold, nickel and other minerals are volatile, difficult to predict, and subject to changes in domestic and international political, social, and economic environments. Circumstances and events such as current economic conditions and ongoing volatility in the capital markets could materially affect the future financial performance of the Company. For a summary of other factors and risks that have affected, and which in future may affect, the Company and its financial position, please refer to the sections entitled "Trends" and "Risks and Uncertainties" in the Company's management's discussion and analysis for the fiscal year ended April 30, 2010, available on SEDAR at www.sedar.com.

Mineral Exploration Properties

Bridgeport's exploration activities are at an early stage, and it has not yet been determined whether its properties contain an economic mineral reserve. There are no known deposits of minerals on any of Bridgeport's exploration properties and any activities of Bridgeport thereon will constitute exploratory searches for minerals. See "Risks and Uncertainties" below.

McCart Township Project

(i) Description of McCart Township Project

On November 11, 2008, the Company entered into an agreement (the "Agreement") to acquire a 100% interest in two mining claims located near McCart Township, Ontario. The claims are subject to a 2% net smelter royalty ("NSR"). To acquire this interest, the Company:

- Made a cash payment of \$5,000;
- Issued 150,000 common shares of the Company valued at \$19,500.

At any time after the commencement of commercial production, the Company has the right to purchase 1% of the 2% NSR for \$1,000,000.

During the year ended April 30, 2010, the Company obtained three additional mining claims located in the same township subject to a 1% NSR (50% of which the Company has the right to purchase for \$1,000,000) for cash consideration of \$nil.

The five claims referenced above are collectively referred to herein as the "McCart property".

On May 25, 2010, the Company entered into a letter agreement (the "Letter Agreement") with COI pursuant to which the Company has granted to COI an option to acquire up to a 70% interest in the McCart property. Under the terms of the Letter Agreement, COI may earn an initial 50% interest in the McCart property by:

- (i) making an initial cash payment to the Company in the amount of \$20,000;
- (ii) issuing an aggregate of 1,050,000 common shares to the Company in tranches over a three year period; and
- (iii) incurring an aggregate of \$400,000 in exploration expenditures on the McCart property in tranches over a three-year period.

The letter agreement provides that COI will earn an additional 20% interest in the McCart property (for a total 70% interest) in the event it completes a bankable feasibility study within three years of earning its 50% interest.

On August 24, 2010, the transaction with COI closed and Bridgeport received \$20,000 cash and 400,000 common shares of COI in accordance with the terms of the Letter Agreement. As a result, the Company does not expect to spend any additional funds on the McCart property until COI terminates the option. There can be no assurance that COI will satisfy all the conditions necessary to obtain the 70% interest in the McCart property.

Bridgeport Ventures Inc.
(An Exploration Stage Enterprise)
Management's Discussion & Analysis
Three Months Ended July 31, 2010
Dated – September 13, 2010

(ii) Project Expenditures

The following table sets forth a breakdown of material components of exploration expenditures incurred at the McCart property.

	Three Months Ended July 31, 2010 \$	Cumulative Expenditures to July 31, 2010 \$
Exploration expenditures		
Project Management, Supervision	2,800	39,300
Line-cutting	nil	24,420
Total	2,800	63,720

(iii) Budget

Planned expenditures are as follows:

Project/Property Name	Plans for Project	Planned Expenditures	Cumulative Expenditures to July 31, 2010	Remaining Commitment
McCart Property	None	\$300,000 ⁽¹⁾⁽²⁾	\$63,720 ⁽²⁾	\$nil ⁽¹⁾⁽³⁾

(1) The Company does not plan to spend any additional funds on the McCart property until COI terminates its option. There can be no assurance that COI will satisfy all the conditions necessary to obtain the 70% interest in the McCart property. The Company will evaluate its alternatives in this regard on a going forward basis in consideration of all relevant factors.

(2) The Phase 1 budget for the McCart property is as follows:

Description	Total	Spent	Remaining Commitment
Data compilation, review	\$8,000	\$nil	\$nil ⁽¹⁾⁽³⁾
Line-cutting	\$42,000	\$24,420	\$nil ⁽¹⁾⁽³⁾
Ground Magnetic Survey	\$12,250	\$nil	\$nil ⁽¹⁾⁽³⁾
Ground Electromagnetic Survey(TEM)	\$70,000	\$nil	\$nil ⁽¹⁾⁽³⁾
Geophysics (interpretation, reporting)	\$10,000	\$nil	\$nil ⁽¹⁾⁽³⁾
Trenching	\$11,250	\$nil	\$nil ⁽¹⁾⁽³⁾

Bridgeport Ventures Inc.
(An Exploration Stage Enterprise)
Management's Discussion & Analysis
Three Months Ended July 31, 2010
Dated – September 13, 2010

Trench Washing	\$20,000	\$nil	\$nil ⁽¹⁾⁽³⁾
Trench Supervision Mapping & Prospecting	\$20,000	\$nil	\$nil ⁽¹⁾⁽³⁾
Ni-Cu-PGE Assaying	\$10,000	\$nil	\$nil ⁽¹⁾⁽³⁾
Rock geochemical Analysis	\$13,500	\$nil	\$nil ⁽¹⁾⁽³⁾
Support vehicles and equipment	\$16,000	\$nil	\$nil ⁽¹⁾⁽³⁾
Travel, Food, Accommodation	\$10,000	\$nil	\$nil ⁽¹⁾⁽³⁾
Differential GPS Survey	\$7,000	\$nil	\$nil ⁽¹⁾⁽³⁾
Trenching/Geochemistry (interpretation, reporting)	\$10,000	\$nil	\$nil ⁽¹⁾⁽³⁾
Project Management, Supervision	\$40,000	\$39,300	\$nil ⁽¹⁾⁽³⁾
Total Phase 1	\$300,000	\$63,720	\$nil ⁽¹⁾⁽³⁾

⁽³⁾ As a result of the COI transaction, the remaining funds raised from the initial public offering completed on October 7, 2009 will be used for working capital purposes.

Rio Condor Properties

(i) Description of Rio Condor properties

(a) Rosario-Tamara

Bridgeport has an option to pay US\$10.4 million over four years to acquire a 100% interest in the Rosario and Tamara properties. The Rosario property is subject to a 2% NSR which may be purchased for US\$2 million. Tamara is royalty free. Bridgeport will also pay a total commission or management fee of US\$500,000 over the same four year period. One of the vendors is entitled to excavate 6,000 tons per month from the property until the last payment is made. Cash payments and management fees in the aggregate of US\$10.9 million are due as follows:

Dates	Management fees US (\$)	Cash payments US (\$)
Date of signing the agreement	22,500 ^(paid)	265,000 ^(paid)
November 5, 2010	42,500	784,999
November 5, 2011	69,000	1,350,001
November 5, 2012	91,000	1,770,000
November 5, 2013	275,000	6,230,000
Total	500,000	10,400,000

Bridgeport Ventures Inc.
(An Exploration Stage Enterprise)
Management's Discussion & Analysis
Three Months Ended July 31, 2010
Dated – September 13, 2010

(b) Soesmi

Pursuant to an agreement entered into on December 3, 2009, Rio Condor has the option of paying US\$1,000,000 over three years to acquire a 100% interest in the Soesmi mining concessions, which are contiguous to the concessions comprising the Rosario property. The Soesmi claim group is subject to a 2% NSR that may be purchased for US\$1,000,000. Cash payments in the aggregate of US\$1,000,000 are due as follows:

Dates	Cash payments US (\$)
Date of signing the agreement	75,000 ^(paid)
June 3, 2010	50,000 ^(paid)
December 3, 2010	50,000
June 3, 2011	100,000
December 3, 2011	150,000
December 3, 2012	575,000
Total	1,000,000

(c) Simonetta

Pursuant to an agreement entered into on January 23, 2010, Rio Condor has the option of paying US\$1,000,000 over four years to acquire a 100% interest in the Simonetta mining concessions, which are contiguous to the concessions comprising the Rosario property. This acquisition is royalty free.

A third party is disputing Rio Condor's access and exploration rights at the Simonetta property. Rio Condor and the Simonetta claimant have initiated legal action to defend Rio Condor's exploration rights. Rio Condor's agreement to acquire the Simonetta property remains in effect while property payments are suspended as per a force majeure clause in the contract. Management of the Company believes that this claim is without merit. Upon resolution of the legal challenge, cash payments in the aggregate of US\$1,000,000 resume as per the calendar adjusted timing of the original payment calendar as presented below:

Dates	Cash payments US (\$)
Date of signing the agreement	30,000 ^(paid)
July 23, 2010	10,000
January 23, 2011	65,000
January 23, 2012	150,000
January 23, 2013	245,000
January 23, 2014	500,000
Total	1,000,000

Currently, the Company does not have any plans to conduct any exploration activities on the Simonetta property. The Company will be required to sign land access agreements prior to being able to commence any work at the Simonetta property, and is currently engaged in discussions in order to gain access rights in this regard. While the Company has not had any success so far, talks are expected to continue. The failure to obtain such access, or delays in obtaining such access, could increase the Company's costs and delay its activities. To the extent such access rights are not obtained, the Company will be curtailed from proceeding with exploration or development of the Simonetta property.

(d) Trillador

On July 5, 2010, the Company executed a letter of intent which provides that the Company will enter into an option agreement to acquire a 100% interest in the Trillador property through Rio Condor. The closing on the option agreement is to take place following a due diligence period.

The 70-hectare property is located in Region III of Chile, near the mining centre of Copiapo. It is adjacent to Bridgeport's Rosario and Tamara properties and is located in a similar geological environment.

Under the terms of the proposed agreement with the property owners, the Company will be required to pay US\$1.5 million over four years in order to acquire a 100% interest in the Trillador property. This acquisition is royalty free.

As of August 27, 2010, the Trillador agreement has been modified, whereby US\$25,000 is required on signing (paid). This will allow Rio Condor a 120 business day grace period in which to pay an additional US\$25,000 and execute the option agreement. No drilling can be conducted on the Trillador concessions until the total US\$50,000 has been paid.

Cash payments in the aggregate of US\$1.5 million are due as follows:

Dates	Cash payments US (\$)
Due on closing	25,000 ^(paid)
120 days after closing	25,000
12 months after closing	50,000
24 months after closing	60,000
36 months after closing	250,000
48 months after closing	1,090,000
Total	1,500,000

Bridgeport Ventures Inc.
(An Exploration Stage Enterprise)
Management's Discussion & Analysis
Three Months Ended July 31, 2010
Dated – September 13, 2010

Update of Rio Condor properties

Control of the Rio Condor properties was acquired in fiscal 2010 and early part of fiscal 2011. The Rio Condor properties are located approximately 40 kilometres south-southeast of the mining city of Copiapo, which has a population of approximately 110,000. Copiapo has all normal facilities and is serviced by several commercial jet flights daily to the Chilean capital, Santiago. In addition, there is a government (ENAMI) oxide and sulphide processing plant at Copiapo (Paipote) that accepts ore for treatment from small mine producers, as well as a copper smelter.

During the year ended April 30, 2010, a technical report entitled "Summary Report on the Rosario Copper-Gold Project, Region III, Atacama, Chile, Prepared for Bridgeport Ventures Inc." was prepared in compliance with National Instrument 43-101 by Dr. Matthew D. Gray (a qualified person) and filed on SEDAR (the "Rosario Report") dated November 27, 2009, and revised on December 4, 2010. The Rosario Report describes the geology, mineralization and potential of the Rosario-Tamara properties based on reconnaissance mapping and sampling. It recommends a first phase drilling program of 3,000 metres, to be followed by a second phase program of 6,000 metres if warranted. Bridgeport has completed the first phase of the diamond drill program on its Rosario property, comprising 10 drill holes and 2,383 meters, that commenced on April 27, 2010, and was completed on June 18, 2010. The drilling results ranged from insignificant to the most significant mineralized intercepts returned from the Phase 1 drilling as summarized in the following table.

Drill Hole #	Total Length (m)	Interval From (m)	Interval To (m)	Interval Length (m)	Copper %	Gold g/t
02	230	52	82	30	.79	.22
03	302	14	54	40	.76	.30
08	200	02	64	62	.25	<0.1
10	200	82	128	46	.74	<0.1

There has been insufficient exploration to define a mineral resource at the Rosario property to date and it is uncertain if further exploration will result in the target being delineated as a mineral resource.

On July 11, 2010, Bridgeport commenced the second phase of the diamond-drilling program on its Rosario property and two diamond drill holes have thus far been completed. Selection of drill sites for the remainder of the Phase Two drill program is pending collection of geophysical surveys. The Phase Two program is designed to follow up on the most promising targets developed during the Phase One program.

Phase One drill objectives and locations were established based on geological mapping and a review of data from a recently acquired I.P. survey. A topographic survey was commissioned and completed using the LIDAR (laser indicated distance and ranging) system. This has resulted in the production of a topographic map of the project with contour intervals of one metre that is being used as a base plan for all exploration activities.

According to the Rosario Report, the Rosario-Tamara properties host copper-gold mineralization, which is currently being exploited by local residents via open pit mining of both oxide and sulphide ores at several localities, as well as underground mining via spiral decline on the Rosario concession. Mineralization is transported by truck to the ENAMI oxide and sulphide treatment plants at Paipote. The current geological mapping program indicates that the copper oxide mineralization could have migrated along favourable fractures and structures, while the sulphide mineralization is hosted in dioritic-granodioritic intrusives and adjacent andesitic volcanic units, as well as poorly sorted, large clast breccia bodies. In places the sulphide mineralization is preferentially located along specific volcanic units (more permeable) and forms

Bridgeport Ventures Inc.
(An Exploration Stage Enterprise)
Management's Discussion & Analysis
Three Months Ended July 31, 2010
Dated – September 13, 2010

shallowly dipping mantos. In general, the sulphide mineralization is associated with albite alteration of the host rocks. Sulphide mineralization is predominantly disseminated chalcopyrite and associated pyrite, with rare bornite. The sulphide ore being mined at Rio Condor's Rosario property typically grades between 1.5-2.0% Cu and 0.5-1.0 g/tAu. Reconnaissance sampling of the decline also showed anomalous molybdenum contents of between 100-300 g/t, associated with this grade of copper gold mineralization.

(ii) Project Expenditures

The following table sets forth a breakdown of material components of exploration expenditures incurred by Bridgeport, in respect of the Rio Condor properties.

Exploration expenditures	Three Months Ended July 31, 2010 \$	Cumulative Expenditures to July 31, 2010 \$
Salaries	15,248	15,248
Expediting	61,235	105,566
Travel	18,285	97,305
Consulting	84,691	359,061
Property costs	4,330	38,659
Geologists	15,949	39,029
Survey costs	41,983	76,453
Vehicle and fuel	20,957	37,377
Lodging and meals	12,355	28,126
Drilling	251,171	258,047
Total	526,204	1,054,871

(iii) Budget

Following are the plans related to the Rio Condor properties. Planned expenditures, which are anticipated to be funded from the non-brokered private placement completed on December 1, 2009 are as follows:

Project/Property Name	Plans for Project	Planned Expenditures (approx.)	Cumulative Expenditures to July 31, 2010 (approx.)	Remaining Commitment (approx.)
Rio Condor properties	(1)	\$3.9 million ⁽²⁾⁽³⁾	\$1.1 million	\$2.9 million ⁽³⁾

(1) Bridgeport plans to complete a diamond-drilling program at an estimated aggregate cost of \$3.9 million in several phases. Phase One was completed on June 18, 2010, and Phase Two will begin when a geophysical survey of the Rosario property is completed. The geophysical survey was undertaken in order to optimize future drill hole locations;

- (2) Excludes acquisition costs;
- (3) Discretionary, subject to change if management decides to scale back operations or accelerate exploration.

Technical Information

All scientific and technical information contained in this MD&A related to the Rio Condor properties has been prepared by or under the supervision of Matthew D Gray, Ph.D., C.P.G. #10688, an independent technical consultant to Bridgeport and a "qualified person" within the meaning of National Instrument 43-101. Gray has verified the technical information related to the Rio Condor properties by means of site visits to the project, personal review of technical data, and independent sampling.

For further details with respect to the mineral exploration properties of Bridgeport, please refer to the Rosario Report, available on SEDAR at www.sedar.com.

Overall Objective

The Company's business objective is the acquisition, exploration and development of properties for the mining of precious and base metals. Bridgeport currently has operations in Latin America. Bridgeport is in the process of exploring its mineral properties and has not yet determined whether these properties contain an economic precious and base metal deposit. The recoverability of the amounts shown for interest in mineral properties and deferred exploration expenditures is dependent upon: the selling price of precious and base metals at the time Bridgeport intends to mine its properties; the existence of economically recoverable reserves; the ability of Bridgeport to obtain the necessary financing to complete exploration and development; government policies and regulations; and future profitable production or proceeds from the disposition of such properties.

Bridgeport has not discovered an economic mineral deposit. While discovery of ore-bearing structures may result in substantial rewards, it should be noted that few properties that are explored are ultimately developed into producing mines.

Bridgeport may also seek to acquire additional mineral resource properties or companies holding such properties. Bridgeport notes that mineral exploration in general is uncertain and the probability of finding an economic mineral deposit on any one of its early stage prospects is low. However, the probability that Bridgeport may be able to acquire a prospect which will host an economic mineral deposit is higher. As a result, Bridgeport believes it is able to reduce overall exploration risk by acquiring additional mineral prospects. In conducting its search for additional mineral properties, Bridgeport may consider acquiring properties that it considers prospective based on criteria such as the exploration history of the properties, their location, or a combination of these and other factors. Risk factors to be considered in connection with Bridgeport's search for and acquisition of additional mineral properties include the significant expenses required to locate and establish mineral reserves; the fact that expenditures made by Bridgeport may not result in discoveries of commercial quantities of minerals; environmental risks; risks associated with land title; the competition faced by Bridgeport; and the potential failure of Bridgeport to generate adequate funding for any such acquisitions. See "Cautionary Note Regarding Forward Looking Information", "Trends" and "Risks and Uncertainties".

Selected Quarterly Information

A summary of selected information for each of the eight most recent quarters is as follows:

Three Months Ended	Net Revenues (\$)	Net (Loss) Income		Total Assets (\$)
		Total (\$)	Per Share (Basic and Diluted) (\$)	
2010-July 31	-	(654,872) ⁽¹⁾	(0.02)	14,493,248
2010-April 30	-	(883,118) ⁽²⁾	(0.05)	15,134,191
2010-January 31	-	(984,147) ⁽³⁾	(0.04)	15,640,341
2009-October 31	-	(103,872) ⁽⁴⁾	(0.01)	1,385,040
2009-July 31	-	(7,061) ⁽⁵⁾	(0.00)	330,480
2009-April 30	-	(123,934) ⁽⁶⁾	(0.02)	279,121
2009-January 31	-	(3,825) ⁽⁷⁾	(0.00)	434,178
2008-October 31	-	1,786 ⁽⁸⁾	0.00	187,006

Notes:

- (1) Net loss of \$654,872 consisted primarily of stock-based compensation \$236,875; professional fees \$226,219; business development costs \$73,682; and management fees \$32,350. These amounts were offset by interest income of \$17,694. All other expenses related to general working capital purposes.
- (2) Net loss of \$883,118 consisted primarily of: stock-based compensation \$264,413; professional fees \$175,336; reporting issuer costs \$146,803; management fees \$38,750; and business development \$111,714. These amounts were offset by interest income of \$17,092. All other expenses related to general working capital purposes.
- (3) Net loss of \$984,147 consisted primarily of: stock-based compensation \$697,346; professional fees \$126,653; reporting issuer costs \$42,494; management fees \$35,750; and business development \$41,701. These amounts were offset by interest income of \$5,059. All other expenses related to general working capital purposes.
- (4) Net loss of \$103,872 consisted primarily of: stock-based compensation \$56,000; reporting issuer costs \$26,707; and consulting fees \$17,000. All other expenses related to general working capital purposes.
- (5) Net loss of \$7,061 consisted primarily of: professional fees of \$4,000; consulting fees of \$3,000; and interest and bank charges of \$61. All other expenses related to general working capital purposes.
- (6) Net loss of \$123,934 consisted primarily of: professional fees \$7,925; interest and bank charges of \$3,601; and write-off of the Gold Rock property of \$161,023 (a property located in Ontario, Canada, that was dropped by the Company). These amounts were offset by a future income tax recovery of \$48,600. All other expenses related to general working capital purposes.
- (7) Net loss of \$3,825 consisted primarily of professional fees \$4,313 and interest income of \$488.
- (8) Net income of \$1,786 consisted of interest income of \$1,786.

Results of Operations

Three months ended July 31, 2010, compared with three months ended July 31, 2009

Bridgeport's net loss totaled \$654,872 for the three months ended July 31, 2010, with basic and diluted loss per share of \$0.02. This compares with net loss of \$7,061 with basic and diluted loss per share of \$0.00 for the three months ended July 31, 2009. The increase of \$647,811 in net loss was principally because:

- The Company incurred an increase in stock-based compensation of \$236,875 for the three months ended July 31, 2010, compared to the three months ended July 31, 2009. The increase can be attributed to the grant of 1,700,000 stock options in fiscal 2010, compared to nil stock options issued during the three months ended July 31, 2009. The 1,700,000 stock options issued in fiscal 2010 have vesting terms subject to the Company's stock option plan which require a stock-based compensation expense of \$236,875 to be recorded in Q1 (2011). Users of the financial statements should be cautious about the valuation of stock-based compensation since it can affect net income (loss) significantly;
- The Company incurred an increase in professional fees of \$222,219 for the three months ended July 31, 2010, compared to the three months ended July 31, 2009. The increase can be attributed to increased corporate activity which in addition to technical activities, required assistance from the Company's auditors and corporate lawyers;
- The Company incurred an increase in reporting issuer costs of \$21,845 (includes transfer agent fees, filing fees, shareholder information costs and stock exchange fees). No such expenses were incurred during the three months ended July 31, 2009;
- The increase in management fees of \$29,350 for the three months ended July 31, 2010, compared to the three months ended July 31, 2009, can be attributed to payment of \$18,750 (three months ended July 31, 2009 - \$nil) to H.R. Snyder Consultants for Hugh Snyder to act as Chairman and Chief Executive Officer of the Company. The Company paid \$13,600 to Marrelli Support Services Inc. ("MSSI") for the services of Carmelo Marrelli to act as Chief Financial Officer of the Company (three months ended July 31, 2009 - \$nil). Carmelo Marrelli is the president of MSSI. (See "Related Party Transactions" for further information);
- The Company incurred an increase in business development fees of \$73,682 for the three months ended July 31, 2010, compared to the three months ended July 31, 2009. The increase can be attributed to consulting fees, investor relation costs and travel charges incurred to develop Bridgeport's investor profile and business opportunities for the Company. No such expense was incurred during the three months ended July 31, 2009;
- General and administrative expenses increased by \$102,325. for the three months ended July 31, 2010, (three months ended July 31, 2009 - \$61) and consisted of administrative costs such as advertising and promotion, telephone, rent, travel, insurance, postage and courier charges. The increase can be attributed to increased corporate activity during the three months ended July 31, 2010 compared to the same period in 2009;
- Foreign exchange gain increased by \$6,327 during the three months ended July 31, 2010, compared with the same period in 2009. The increase in foreign exchange gain can be attributed to transactions in Chile and the US dollar exchange rate fluctuations;

- Interest income increased by \$17,694 during the three months ended July 31, 2010. The Company earned interest on high interest savings accounts and certificates of deposit from funds raised from the initial public offering, which was completed on October 7, 2009, and the private placement, which was completed on December 1, 2009. No interest was earned in the comparative period.
- All other expenses related to general working capital purposes.

Liquidity and Financial Position

The activities of Bridgeport, principally the acquisition and exploration of properties that have the potential to contain precious and base metals, are financed through equity offerings and the exercise of stock options and warrants. During the three months ended July 31, 2010, the Company completed the following equity transactions:

- (i) 5,000 warrants were exercised for cash proceeds of \$2,500.

The budgeted corporate activities for Toronto, Canada, account for \$914,000 to the end of the fourth quarter of fiscal 2011. In addition, proposed exploration expenditures in respect of the Rio Condor properties are \$1.8 million to the end of the fourth quarter of fiscal 2011, which amount is included in the \$3.9 million budget for drilling the Rio Condor properties.

The Company must also comply with the payment schedule for the Rio Condor properties in order to maintain its interest in such properties, which requires the following payments over the next twelve months to keep the properties in good standing.

Name	Payment Date	Amount (US\$)
Simonetta	July 23, 2010	10,000 ⁽¹⁾
Rosario-Tamara	November 5, 2010	827,499 ⁽²⁾
Trillador	August 27, 2010	25,000 ^(paid)
Soesmi	December 3, 2010	50,000
Simonetta	January 23, 2011	65,000 ⁽¹⁾
Trillador	January 17, 2011	25,000
Soesmi	June 3, 2011	100,000
		1,102,499 ⁽³⁾

- (1) Subject to dispute and unpaid as of the date of this MD&A.
(2) Includes management fees of \$42,500 and cash payments of \$784,999.
(3) Canadian equivalent approximately equals \$1,133,700 (Exchange rate - 1.0283)

Accounts payable and accrued liabilities decreased to \$115,822 at July 31, 2010, compared to \$325,079 at April 30, 2010, primarily due to less expenditures due at July 31, 2010 compared to April 30, 2010. The Company's cash and cash equivalents as at July 31, 2010, is sufficient to pay these liabilities.

Bridgeport Ventures Inc.
(An Exploration Stage Enterprise)
Management's Discussion & Analysis
Three Months Ended July 31, 2010
Dated – September 13, 2010

The Company has no operating revenues and therefore must utilize its current cash reserves and other financing transactions to maintain its capacity to meet ongoing discretionary and committed exploration and operating activities. See "Trends".

As of July 31, 2010, and to the date of this MD&A, the cash resources of Bridgeport are held with select Canadian financial institutions.

The Company has no debt and its credit and interest rate risk is minimal. Accounts payable and accrued liabilities are short term and non-interest bearing.

The Company's use of cash at present occurs, and in the future is expected to occur, principally in two areas, namely, funding of its general and administrative expenditures and funding of its investment activities. Those investing activities include the cash components of the cost of acquiring and exploring its mineral claims. During the three months ended July 31, 2010, the Company's operating expenses increased compared to the same period in 2009 due to increased corporate activity in the Company and support costs for operations in Chile. Corporate head office costs are estimated to average approximately \$229,000 per quarter to the end of the fourth quarter of fiscal 2011, excluding professional fees for US counsel assisting the Company with corporate matters. The \$229,000 covers professional fees for legal fees in Canada, reporting issuer costs, management fees, business development costs and general and administrative costs in Canada. In addition, the Company plans to spend approximately \$1.8 million (excludes acquisition costs) for its ongoing exploration programs in Chile ending in the fourth quarter of fiscal 2011 (the \$1.8 million is included in the Company's \$3.9 million exploration commitment under "Mineral Exploration Properties", above). The Company will also have to make its scheduled property payments for the Rio Condor properties in order to maintain its interest therein (See "Rio Condor Properties" under "Mineral Exploration Properties", above). As of July 31, 2010, approximately \$1,133,700 remains to be spent for the twelve months ending July 31, 2011. Bridgeport believes it currently has sufficient funds to meet its 2011 planned expenditures.

The working capital of \$9,927,963 at July 31, 2010 (April 30, 2010 - \$10,942,645), is expected to be sufficient to meet the Company's plans for the acquisition costs and exploration expenditures for the Rio Condor properties for the twelve-month period ending July 31, 2011. However, if the Company decides to continue to exercise its option to acquire the Rio Condor properties, additional financing will be required for the Company to make its scheduled property payments for the Rio Condor properties.

Regardless of whether or not the Company develops the Rio Condor properties, its working capital of \$9,927,963 as of July 31, 2010, is anticipated to be adequate for it to continue operations at the current level for the twelve month period ending July 31, 2011, even if it's expected plans discussed above do not materialize and new plans are developed. However, to meet long-term business plans, exploring its property interests is an important component of the Company's financial success. In addition, in order to meet the Company's scheduled property payments for the Rio Condor properties, additional financing will be required. See "Risks and Uncertainties", below.

Related Party Transactions

The Company had the following related party transactions during the three months ended July 31, 2010:

- (a) During the three months ended July 31, 2010, the Company paid consulting fees of \$nil (three months ended July 31, 2009 - \$3,000) to St. Germain Capital Corp., a company that is beneficially controlled by Steven Mintz, the former Chief Executive Officer of the Company. Steven Mintz is the President and a director of the associated company. These costs are reflected in management fees in the consolidated statements of operations.

Bridgeport Ventures Inc.
(An Exploration Stage Enterprise)
Management's Discussion & Analysis
Three Months Ended July 31, 2010
Dated – September 13, 2010

- (b) For the three months ended July 31, 2010, the Company paid \$13,600 (three months ended July 31, 2009 - \$nil) to MSSI for the services of Carmelo Marrelli to act as Chief Financial Officer of the Company. These costs are reflected in management fees in the consolidated statements of operations. Carmelo Marrelli is the President of MSSI. As at July 31, 2010, MSSI was owed \$12,613 (April 30, 2010 - \$12,226) and this amount was included in accounts payable and accrued liabilities.
- (c) For the three months ended July 31, 2010, the Company paid \$2,235 (three months ended July 31, 2009 - \$nil) to DSA Corporate Services Inc. ("DSA"), a firm providing corporate secretarial services to Bridgeport. Carmelo Marrelli, the Chief Financial Officer of the Company is the secretary of DSA. These costs are reflected in professional fees in the consolidated statements of operations. As at July 31, 2010, DSA was owed \$989 (April 30, 2010 - \$919) and this amount was included in accounts payable and accrued liabilities.
- (d) During the three months ended July 31, 2010 the Company paid management consulting fees of \$18,750 (three months ended July 31, 2009 - \$nil) to H.R. Snyder Consultants for Hugh Snyder to act as Chairman and Chief Executive Officer of the Company. H.R. Snyder Consultants is controlled by Hugh Snyder. These costs are reflected in management fees in the consolidated statements of operations.
- (e) During the three months ended July 31, 2010 and 2009, the Company paid geological consulting fees of \$15,000 (three months ended July 31, 2009 - \$nil) to Wolf Seidler, a director of the Company. This cost is reflected in professional fees in the consolidated statements of operations.
- (f) During the three months ended July 31, 2010, officers and directors of the Company were reimbursed for out of pocket expenses that occurred in the normal course of operations.

The transactions disclosed above are in the normal course of business and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties. The amounts due to related parties are unsecured, non-interest bearing and due on demand.

Off-Balance Sheet Arrangements

As of the date of this MD&A, the Company does not have any off balance sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of operations or financial condition of the Company, including, and without limitation, such considerations as liquidity, capital expenditures and capital resources, that is material to investors.

Proposed Transactions

There are no proposed transactions of a material nature being considered by the Company. However, the Company continues to evaluate properties and corporate entities that it may acquire in the future.

Critical Accounting Estimates

The preparation of the Company's unaudited interim consolidated financial statements requires management to make certain estimates that affect the amounts reported in the consolidated financial statements. The accounting estimates considered to be significant are the valuation of the Company's resource assets, warrants and stock-based compensation.

The policy of capitalizing exploration costs to date does not necessarily relate to the future economic value of the exploration properties. The valuation of mineral resource properties is dependent entirely upon the discovery of economic mineral deposits.

The Company uses the Black-Scholes option pricing model to estimate the fair value of options and warrants. The main factor affecting the estimates of stock-based compensation and warrants is the stock price volatility used. The Company uses historical price data and comparables in the estimate of the stock price volatility.

Other items requiring estimates for the three months ended July 31, 2010, are amounts receivable, asset retirement obligation, accounts payable and accrued liabilities and future income taxes. Changes in the accounting estimates in these items may have a material impact on the financial position of Bridgeport.

Future Accounting Changes

IFRS Transition Plan

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

Initial scoping and analysis of key areas for which accounting policies may be impacted by the transition to IFRS.	Complete.
Detailed evaluation of potential changes required to accounting policies, information systems and business processes, including the application of IFRS 1 First-time Adoption of International Financial Reporting Standards.	Complete.
Final determination of changes to accounting policies and choices to be made with respect to first-time adoption alternatives.	In progress, completion expected during Q4 2011
Resolution of the accounting policy change implications on information technology, business processes and contractual arrangements.	In progress, completion expected during Q4 2011
Quantification of the financial statement	

impact of changes in accounting policies.	Throughout 2011
Management and employee education and training.	Throughout the transition process

Any changes to accounting policies or business processes have the potential to affect the Company's internal controls over financial reporting ("ICFR"). As part of its analysis of potential changes to accounting policies, the implementation team is assessing whether changes to ICFR are required. Based on the analysis performed to date, the Company does not currently expect the adoption to IFRS to have a significant impact on ICFR.

Impact of Adopting IFRS on the Company's Business

As part of its analysis of potential changes to significant accounting policies, the Company is assessing what changes may be required to its accounting systems and business processes. The Company believes that the changes identified to date are minimal and the systems, processes and internal control procedures can accommodate the necessary changes.

To date, the Company has not identified any contractual arrangements that may be affected by potential changes to significant accounting policies.

The Company's staff and advisers involved in the preparation of the consolidated financial statements are being trained on the relevant aspects of IFRS and the anticipated changes to accounting policies. Employees of the Company who will be affected by a change to business processes as a result of the conversion to IFRS will also be trained as necessary.

The Board of Directors and the Audit Committee have been regularly updated on the progress of the IFRS conversion plan, and made aware of the evaluation to date of the key aspects of IFRS affecting the Company.

First-time adoption of IFRS

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

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

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

- To apply IAS 23 *Borrowing Costs* prospectively from the transition date. IAS 23 requires the capitalization of borrowing costs directly attributable to the acquisition, production or construction of certain assets.

Prior to reporting interim consolidated financial statements in accordance with IFRS for the quarter ending July 31, 2011, the Company may decide to apply other optional exemptions contained in IFRS 1.

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

Impact of Adopting IFRS on the Company's Financial Statements

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

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

1) Exploration and Evaluation Expenditures

Subject to certain conditions, IFRS currently allows an entity to determine an accounting policy that specifies the treatment of costs related to the exploration for and evaluation of mineral properties. The Company expects to establish an accounting policy to expense, as incurred, all costs relating to exploration and evaluation until such time as it has been determined that a property has economically recoverable reserves.

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

2) Impairment of (Non-financial) Assets

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

The Company's accounting policies related to impairment of non-financial assets will be changed to reflect these differences. However, the Company does not expect that this change will have an

immediate impact on the carrying value of its assets. The Company will perform impairment assessments in accordance with IFRS at the transition date.

3) *Share-based Payments*

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

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

4) *Asset Retirement Obligations (Decommissioning Liabilities)*

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

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

5) *Property and Equipment*

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

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

6) *Income Taxes*

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

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

7) *Foreign Currency*

IFRS requires that the functional currency of Bridgeport and its subsidiaries be determined separately, and the factors considered to determine functional currency are somewhat different than current Canadian GAAP.

Bridgeport does not expect any changes to its accounting policies related to foreign currency that would result in a significant change to line items within its consolidated financial statements at the transition date.

Subsequent Disclosures

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

- The Company's MD&A for the 2011 interim periods and the year ended April 30, 2011, will include updates on the progress of the transition plan, and, to the extent known, further information regarding the impact of adopting IFRS on key line items in the annual consolidated financial statements.
- The Company's first financial statements prepared in accordance with IFRS will be the interim consolidated financial statements for the three months ending July 31, 2011, which will include notes disclosing transitional information and disclosure of new accounting policies under IFRS. The interim consolidated financial statements for the three months ending July 31, 2011, will also include 2010 consolidated financial statements for the comparative period, adjusted to comply with IFRS, and the Company's transition date IFRS statement of financial position (at May 1, 2010).

Business Combinations, Consolidated Financial Statements and Non-Controlling Interests

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

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

Financial Instruments

Canadian GAAP requires that the Company disclose information about the fair value of its financial assets and liabilities. Fair value estimates are made at the balance sheet date, based on relevant market information and information about the financial instrument. These estimates are subjective in nature and involve uncertainties in significant matters of judgment and therefore cannot be determined with precision. Changes in assumptions could significantly affect these estimates.

The Company's activities expose it to a variety of financial risks: liquidity risk, market risk (including interest rate, foreign exchange rate and price risk) and credit risk.

Risk management is carried out by the Company's management team with guidance from the Audit Committee under policies approved by the Board of Directors. The Board of Directors also provides regular guidance for overall risk management.

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

Credit Risk

The Company's credit risk is primarily attributable to cash and cash equivalents and amounts receivable. Cash and cash equivalents consist of cash, high interest savings accounts and certificates of deposit at select Canadian financial institutions, from which management believes the risk of loss to be remote. Financial instruments included in amounts receivable consist of goods and services tax due from the Government of Canada, deposits with service providers, amounts owing from the Chilean government and amounts owing from various landowners in Chile. Amounts receivable are in good standing as of July 31, 2010. Management believes that the credit risk concentration with respect to the financial instruments included in cash and cash equivalents and amounts receivable is remote.

Liquidity Risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at July 31, 2010, the Company had a cash and cash equivalents balance of \$9,834,942 (April 30, 2010 - \$11,137,382) to settle current liabilities of \$115,822 (April 30, 2010 - \$325,079). All of the Company's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms. The Company regularly evaluates its cash position to ensure maintenance of liquidity.

Market Risk

a) Interest Rate Risk

The Company has cash and cash equivalents and no interest-bearing debt. The Company's current policy is to invest excess cash in high interest savings accounts and investment-grade certificates of deposit issued by its Canadian financial institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its Canadian financial institutions. Currently, the Company does not hedge against interest rate risk.

b) Foreign Currency Risk

The Company's functional and reporting currency is the Canadian dollar and purchases are transacted in Canadian and US dollars and Chilean pesos. The Company funds certain operations, exploration and administrative expenses in Chile on a cash call basis using US dollar currency converted from select bank accounts held in Canada. The Company maintains US dollar bank accounts in Canada and Chile, and Chilean peso bank accounts in Chile. The Company is subject to gains and losses from fluctuations in the US dollar and Chilean peso against the Canadian dollar.

c) Price Risk

The Company is exposed to price risk with respect to commodity prices. The Company closely monitors commodity prices to determine the appropriate course of action to be taken by the Company. As the Company's mineral properties are in the exploration stage, the Company does not hedge against commodity price risk.

Sensitivity Analysis

The Company has designated its cash and cash equivalents as held-for-trading, measured at fair value. Financial instruments included in amounts receivable are classified as receivables, which are measured at amortized cost. Accounts payable and accrued liabilities are classified as other financial liabilities, which are measured at amortized cost.

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

(i) Cash equivalents are subject to floating interest rates. As at July 31, 2010, if interest rates had decreased/increased by 1% with all other variables held constant, the loss for the three months ended July 31, 2010 would have been approximately \$22,000 higher/lower, as a result of lower/higher interest income from cash equivalents.

(ii) The Company is exposed to foreign currency risk on fluctuations of financial instruments that are denominated in US dollars and the Chilean peso related to cash balances, amounts receivable and accounts payable and accrued liabilities. As at July 31, 2010, the Company held cash and accounts payable denominated in US dollars of US\$620,739 (Cdn\$638,306) and US\$17,184 (Cdn\$17,670), respectively. Sensitivity to a plus or minus 5% change in the foreign exchange rate would affect the reported net loss by approximately \$33,800.

Fair Value

The Company's financial instruments that are cash and cash equivalents are classified as Level 1 within the fair value hierarchy under Section 3862.

Capital Management

The Company defines capital that it manages as its shareholders' equity. When managing capital, the Company's objective is to ensure the entity continues as a going concern as well as to achieve optimal returns to shareholders and benefits for other stakeholders. Management adjusts the capital structure as necessary in order to support the acquisition, exploration and development of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management team to sustain the future development of the business. As at July 31, 2010, total shareholders' equity (managed capital) was \$13,969,426 (April 30, 2010 - \$14,384,923).

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

Management has chosen to mitigate the risk and uncertainty associated with raising additional capital in current economic conditions by:

- (i) maintaining a liquidity cushion in order to address any potential disruptions or industry downturns;
- (ii) minimizing discretionary disbursements; and
- (iii) reducing or eliminating exploration expenditures that are of limited strategic value.

In light of the above, the Company will continue to assess new properties and seek to acquire an interest in additional properties if it believes there is sufficient potential and if it has adequate financial resources to do so.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is appropriate. There were no changes in the Company's approach to capital management during the three months ended July 31, 2010.

The Company is not subject to any capital requirements imposed by a regulator or lending institution. The Company expects that its current capital resources will be sufficient to discharge its liabilities as at July 31, 2010.

Outlook

For the remainder of 2011, the Company plans to continue its exploration and drilling programs on its Rio Condor properties in Chile. The Company is continually evaluating direct or indirect acquisitions of additional properties. The Company continues to monitor its spending and will amend its plans and budgets based on exploration results and expectations of being able to raise financing as and when required.

Environmental Contingency

The Company's mining and exploration activities are subject to various government laws and regulations relating to the protection of the environment. These environmental regulations are continually changing and generally becoming more restrictive. As of the date of this MD&A, the Company does not believe that there are any significant environmental obligations requiring material capital outlays in the immediate future.

Share Capital

As of the date of this MD&A, the Company had 28,042,200 issued and outstanding common shares and an aggregate of 19,684,000 warrants outstanding, each entitling the holder to acquire one common share of the Company. At the date of this MD&A, the Company had 2,400,000 stock options outstanding, each entitling the holder to acquire one common share. Therefore, the Company had 50,546,200 common shares on a fully diluted basis.

Risks and Uncertainties

An investment in the securities of the Company is highly speculative and involves numerous and significant risks. Such investment should be undertaken only by investors whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment. Prospective investors should carefully consider the risk factors that have affected, and which in the future are reasonably expected to affect, the Company and its financial position. Please refer to the section entitled "Risk Factors" in the Company's annual information form dated July 29, 2010, available on SEDAR at www.sedar.com. There have been no significant changes to such risk factors since that date other than as discussed elsewhere in this MD&A.

Subsequent Events

(a) On August 24, 2010, the transaction with COI closed and Bridgeport received \$20,000 cash and 400,000 common shares of COI in accordance with the terms of the Agreement.

(b) On August 17, 2010, 1,200 warrants with an exercise price of \$1.00 and expiry date of December 1, 2010 were exercised for cash proceeds of \$1,200.

(c) As of August 27, 2010, the Trillador agreement has been modified, whereby US\$25,000 is required on signing (paid). This will allow Rio Condor a 120 business day grace period in which to pay an additional US\$25,000 and execute the option agreement. No drilling can be conducted on the Trillador concessions until the total US\$50,000 has been paid.

Disclosure controls

Disclosure controls and processes have been designed to ensure that information required to be disclosed by the Company is compiled and reported to Company management as appropriate to allow timely decisions regarding required disclosure. The Company's Chief Executive officer and Chief Financial Officer have concluded, based on their evaluation as of July 31, 2010, that the Company's disclosure controls and procedures are effective to provide reasonable assurance that material information related to the Company is made known to them by employees and third party consultants working for the Company. There have been no significant changes in the Company's disclosure controls and processes during the three months ended July 31, 2010.

It should be noted that while the Company's Chief Executive Officer and Chief Financial Officer believe that its disclosure controls and processes will provide a reasonable level of assurance and that they are effective, they do not expect that the disclosure controls and processes will prevent all errors and frauds. A control system, no matter how well conceived or operated, can provide only reasonable, not absolute, assurance that its objectives are met.

ICFR

Management is responsible for certifying the design of the Company's ICFR as required by National Instrument 52-109 – "Certification of Disclosure in Issuers' Annual and Interim Filings". ICFR is intended to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with applicable Canadian GAAP. ICFR should include those policies and procedures that establish the following:

- maintenance of records in reasonable detail that accurately and fairly reflect the transactions and dispositions of assets;
- reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with applicable Canadian GAAP;
- receipts and expenditures are only being made in accordance with authorizations of management and the Board of Directors; and
- reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of assets that could have a material effect on the consolidated financial statements.

Because of its inherent limitations, ICFR may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness in future periods are subject to the risk that controls may become

inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Management, including the Chief Executive Officer and Chief Financial Officer, has evaluated the design of the Company's ICFR as of July 31, 2010, pursuant to the requirements of National Instrument 52-109. The Company has designed appropriate ICFR (COSO Framework, as discussed below) for the nature and size of the Company's business, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with Canadian GAAP except as noted herein.

The Company uses MSSI, a service organization in Canada, controlled by the Chief Financial Officer of Bridgeport, to perform the majority of its financial reporting functions, including the recording of transactions, the reconciliation of accounts and the preparation of the consolidated financial statements. Controlling and monitoring processes performed by MSSI are as important as controlling and monitoring processes performed within the Company. Management currently monitors the work performed by MSSI through the review of the consolidated financial statements and other financial information and discussions with the staff of MSSI. Though these monitoring controls do provide some assurance, they lack a sufficient level of precision to ensure that all errors will be prevented or detected.

MSSI has obtained an auditor's report of controls as at September 30, 2009, that stated the internal control functions that clients of MSSI use are designed and operating effectively. The Company's management has determined that the internal controls at MSSI are designed and operating effectively for Canadian operations. The control framework that MSSI has adopted to design certain functions is the COSO Framework published by The Committee of Sponsoring Organizations of the Treadway Commission ("COSO"). COSO is recognized the world over for providing guidance on critical aspects of organizational governance, business ethics, internal control, enterprise risk management, fraud, and financial reporting.

Management has determined that the internal controls of the Company are designed and operating effectively. There have been no changes in ICFR during the three months ended July 31, 2010, that have materially affected, or are reasonably likely to materially affect, the Company's ICFR.

Additional information

Additional information relating to Bridgeport, including its annual information form for the most recently completed fiscal year, is available on Sedar at www.sedar.com.