COLOMBIAN MINES CORPORATION

CORPORACIÓN MINERA DE COLOMBIA S.A.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
(Expressed in Canadian Dollars)
(Unaudited – Prepared by Management)

October 31, 2011

NOTICE TO READER

The accompanying unaudited condensed consolidated interim financial statements of Colombian Mines Corporation for the six months ended October 31, 2011 have been prepared by management and approved by the Audit Committee and the Board of Directors of the Company. These financial statements have not been reviewed by the Company’s external auditors.

COLOMBIAN MINES CORPORATION
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)
(Unaudited – Prepared by Management)

	October 31, 2011	April 30, 2011
ASSETS		(Note 15)
Current		
Cash and cash equivalents (Note 4)	$ 2,779,918	$ 5,487,374
Receivables	39,611	30,286
Prepaid expenses	391,970	317,979
	3,211,499	5,835,639
Investment in securities (Note 5)	96,369	143,901
Equipment & Land (Note 6)	151,633	170,970
Mineral properties (Note 7)	1,768,568	1,362,143
TOTAL ASSETS	$ 5,228,069	$ 7,512,653
LIABILITIES AND EQUITY		
Current		
Accounts payable and accrued liabilities (Note 11)	$ 412,481	$ 433,443
Income tax payable	37,834	37,834
	450,315	471,277
Non-current		
Accrued liabilities	90,496	137,864
EQUITY		
Share capital (Note 9)	14,359,597	14,359,597
Warrant reserve (Note 9d)	4,988,949	4,988,949
Share based payment reserve (Note 9c)	2,195,396	1,697,661
Investment revaluation reserve	(54,068)	(18,888)
Deficit	(16,802,616)	(14,123,807)
TOTAL EQUITY	4,687,258	6,903,512
TOTAL LIABILITIES AND EQUITY	$ 5,228,069	$ 7,512,653

Nature and continuance of operations (Note 1)

Approved on behalf of the Board of Directors on December 9, 2011:

Signed: *"Nathan A. Tewalt"* Director Signed: *"Richard Graham"* Director

The accompanying notes are an integral part of these consolidated financial statements.

COLOMBIAN MINES CORPORATION
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF COMPREHENSIVE LOSS
(Expressed in Canadian Dollars)
(Unaudited – Prepared by Management)

	Three Months Ended October 31 2011	Three Months Ended October 31 2010	Six Months Ended October 31 2011	Six Months Ended October 31 2010 (Note 15)
EXPLORATION EXPENDITURES (Note 8)	$ 706,302	$ 925,605	$ 1,705,294	$ 1,846,109
ADMINISTRATIVE EXPENSES				
Administration and office costs	88,053	75,670	161,317	144,210
Depreciation	514	-	1,028	-
Investor relations and shareholder information	169,510	63,274	220,072	95,751
Professional fees	37,852	15,710	53,091	29,750
Share-based compensation (Note 9 (c))	466,842	238,675	497,735	294,068
Transfer agent and filing fees	10,093	14,598	12,693	16,848
Travel	1,027	1,377	2,459	1,377
	773,891	409,304	948,395	582,004
Loss before other income (expense)	(1,480,193)	(1,334,909)	(2,653,689)	(2,428,113)
OTHER INCOME (EXPENSE)				
Change in fair value of investments in securities	(6,832)	-	(12,352)	-
Foreign exchange (loss) gain	(31,887)	(4,118)	(39,778)	35,709
Interest income and other income	11,944	39,231	27,010	71,653
	(26,775)	35,113	(25,120)	107,362
Net loss for the period	$ (1,506,968)	$ (1,299,796)	$ (2,678,809)	$ (2,320,751)
OTHER COMPREHENSIVE LOSS				
Net loss for the period	(1,506,968)	(1,299,796)	(2,678,809)	(2,320,751)
Change in fair value of financial instruments (Note 5)	(26,889)	-	(35,180)	-
Comprehensive (loss)	$ (1,533,857)	$ (1,299,796)	$ (2,713,989)	$ (2,320,751)
Basic and diluted loss per share	$ (0.05)	$ (0.06)	$ (0.08)	$ (0.10)
Weighted average number of common shares Outstanding, basic and diluted	32,591,761	22,834,061	32,591,761	22,831,235

The accompanying notes are an integral part of these consolidated financial statements.

COLOMBIAN MINES CORPORATION
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
(Expressed in Canadian Dollars)
(Unaudited – Prepared by Management)

	Six months ended October 31 2011	2010
CASH FLOWS FROM (TO)		(Note 15)
OPERATIONS		
Net loss for the period	$(2,678,809)	$ (2,320,751)
Items not affecting cash:		
Depreciation	1,028	-
Depreciation included in exploration expense	78,394	57,613
De-recognition of equipment	1,054	-
Change in fair value of investment in securities	12,352	-
Share-based compensation	497,735	294,068
Changes in non-cash working capital items:		
Receivables	(9,325)	17,114
Prepaid expenses	(73,991)	74,320
Accounts payable and accrued liabilities	(68,330)	58,856
	(2,239,892)	(1,818,780)
INVESTING		
Mineral properties	(406,425)	(371,187)
Purchase of equipment	(61,139)	(18,525)
	(467,564)	(389,712)
FINANCING		
Shares issued for cash	-	3,040
	-	3,040
Change in cash and cash equivalents during the period	(2,707,456)	(2,205,452)
Cash and cash equivalents at beginning of period	5,487,374	4,225,970
Cash and cash equivalents at end of period	$ 2,779,918	$ 2,020,518

Supplementary cash flow information (Note 12)

The accompanying notes are an integral part of these consolidated financial statements.

COLOMBIAN MINES CORPORATION
CONDENDSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY
(Expressed in Canadian Dollars)
SIX MONTHS ENDED OCTOBER 31, 2011 and 2010
(Unaudited – Prepared by Management)

	Share	Capital					
	Number of shares	Amount $	Warrant Reserve $	Share Based Payment Reserve $	Investment Revaluation Reserve $	Deficit $	Total $
Balance May 1, 2010 (Note 15)	22,826,061	9,873,655	3,232,461	1,257,462	-	(9,540,902)	4,822,676
Shares issued on exercise of options	8,000	3,040	-		-	-	3,040
Reclassify share based payment reserve on exercise of options	-	2,932		(2,932)	-	-	-
Share based compensation	-	-		294,068	-	-	294,068
Loss for the period	-	-	-	-	-	(2,320,751)	(2,320,751)
Balance October 31, 2010	22,834,061	9,879,627	3,232,461	1,548,598		(11,861,653)	2,799,033
Balance at April 30, 2011	32,591,761	14,359,597	4,988,949	1,697,661	(18,888)	(14,123,807)	6,903,512
Share based compensation	-	-	-	497,735	-	-	497,735
Change in fair value of investment in securities	-	-	-	-	(35,180)	-	(35,180)
Loss for the period	-	-	-	-	-	(2,678,809)	(2,678,809)
Balance October 31, 2011	32,591,761	14,359,597	4,988,949	2,195,396	(54,068)	(16,802,616)	4,687,258

The accompanying notes are an integral part of these consolidated financial statements.

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1. NATURE AND CONTINUANCE OF OPERATIONS

Colombian Mines Corporation (the "Company" or "Colombian") was incorporated under the *Business Corporation Act (B.C.)* on May 16, 2006. The Company acquired all of the outstanding shares of Corporacion Minera de Colombia S.A. ("Minera Colombia") on September 16, 2006 by way of a share exchange agreement. The address of the Company's head office is #501 – 543 Granville Street, Vancouver, BC, Canada V6C 1X8. The condensed consolidated interim financial statements of Colombian as at and for the six months ended October 31, 2011 comprise the Company and its subsidiaries. Colombian is the ultimate parent of the consolidated group.

The Company has mineral properties which are located in an emerging country and, consequently, may be subject to a higher level of risk compared to developed countries. Operations, the status and title of mineral property rights and the recoverability of amounts shown for mineral properties in emerging nations can be affected by changing economic, regulatory and political situations. The Company is in the process of exploring its mineral properties and has not yet determined whether they contain reserves that are economically recoverable. These consolidated financial statements have been prepared on a going concern basis, which assumes that the Company will be able to meet its obligations and continue its operations for its next fiscal year. Realization values may be substantially different from the carrying values shown and these financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern. At October 31, 2011, the Company had not yet achieved profitable operations, had accumulated losses of $16,844,662 and is expected to incur further losses in the development of its business, all of which raises doubt about its ability to continue as a going concern. The Company will have to raise additional financing in order to conduct its planned work programs on mineral properties and meet its ongoing levels of corporate overhead and discharge its liabilities as they come due. While Colombian has been successful in securing financings in the past, there is no assurance that it will be able to do so in the future.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation and Adoption of International Financial Reporting Standards

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting ("IAS 34") using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

The accounting policies followed in these interim financial statements are the same as those applied in the Company's interim financial statements for the period ended July 31, 2011. The Company has consistently applied the same accounting policies throughout all periods presented, as if these policies had always been in effect. The impact of the transition to IFRS on the Company's reported equity as at October 31, 2010, and comprehensive income for the three and nine months ended October 31, 2010, is provided in note 15. This note also includes the nature and effect of significant changes in accounting policies from those used in the Company's consolidated financial statements for the year ended April 30, 2011. The policies applied in these interim consolidated financial statements are based on IFRS issued and outstanding as of December 9, 2011, the date the Board of Directors approved the statements. Any subsequent changes to IFRS that are given effect in the Company's annual consolidated financial statements for the year ending April 30, 2012, could result in restatement of these interim consolidated financial statements, including the transition adjustments recognized on change-over to IFRS.

These condensed consolidated interim financial statements should be read in conjunction with the Company's Canadian GAAP annual financial statements for the year ended April 30, 2011, and the Company's interim financial statements for the quarter ended July 31, 2011, prepared in accordance with IFRS applicable to interim financial statements.

3. CHANGES IN ACCOUNTING STANDARDS

The following are IFRS changes that have been issued by the International Accounting Standards Board, which may affect the Company, but are not yet effective:

IAS 12, Income taxes, was amended in December 2010 to remove subjectivity in determining on which basis an entity measures the deferred tax relating to an asset. The amendment introduces a presumption that an entity will assess whether the carrying value of an asset will be recovered through the sale of the asset. The amendment to IAS 12 is effective for reporting periods beginning on or after January 1, 2012. The Company is assessing the effect of the changes to IAS 12 on its financial results and financial position.

IAS 27, Separate Financial Statements, replaced the existing IAS 27 “Consolidated and Separate Financial Statements”. IAS 27 contains accounting and disclosure requirements for investments in subsidiaries, joint ventures and associates when an entity prepares separate financial statements. IAS 27 requires an entity preparing separate financial statements to account for those investments at cost or in accordance with IFRS 9 Financial Instruments. IAS 27 is effective for annual periods beginning on or after January 1, 2013. Earlier application is permitted. The Company is assessing the effect of the changes to IAS 27 on its financial results and financial position.

IAS 28, Investments in Associates and Joint Ventures, was amended in 2011 and prescribes the accounting for investments in associates and sets out the requirements for the application of the equity method when accounting for investments in associates and joint ventures. IAS 28 is effective for annual periods beginning on or after January 1, 2013. Earlier application is permitted. The Company is assessing the effect of the changes to IAS 28 on its financial results and financial position.

IFRS 9, Financial Instruments, was issued in November 2009 and is the first step to replace current IAS 39, Financial Instruments: Recognition and Measurement. IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 is effective for annual periods beginning on or after January 1, 2013. The Company is assessing the effect of IFRS 9 on its financial results and financial position; however any changes are not expected to be material.

IFRS 10, Consolidated Financial Statements, establishes principles for the presentation and preparation of consolidated financial statements when an entity controls one or more other entities. IFRS 10 supersedes IAS 27, Consolidated and Separate Financial Statements, and SIC-12, Consolidation—Special Purpose Entities, and is effective for annual periods beginning on or after January 1, 2013. Earlier application is permitted. The Company is assessing the effect of the changes to IFRS 10 on its financial results and financial position.

IFRS 11, Joint Arrangements, establishes principles for financial reporting by parties to a joint arrangement. IFRS 11 supersedes current IAS 31, Interests in Joint Ventures, and SIC-13, Jointly Controlled Entities - Non-Monetary Contributions by Venturers, and is effective for annual periods beginning on or after January 1, 2013. Earlier application is permitted. The Company is assessing the effect of the changes to IFRS 11 on its financial results and financial position.

IFRS 12, Disclosure of Interests in Other Entities, applies to entities that have an interest in a subsidiary, a joint arrangement, an associate or an unconsolidated structured entity. IFRS 12 is effective for annual periods beginning on or after January 1, 2013. Earlier application is permitted. The Company is assessing the effect of the changes to IFRS 12 on its financial statement disclosures.

(Expressed in Canadian dollars)

3. CHANGES IN ACCOUNTING STANDARDS (continued)

IFRS 13, Fair Value Measurements, defines fair value, sets out in a single IFRS framework for measuring fair value and requires disclosures about fair value measurements. The IFRS 13 applies to IFRSs that require or permit fair value measurements or disclosures about fair value measurements (and measurements, such as fair value less costs to sell, based on fair value or disclosures about those measurements), except in specified circumstances. IFRS 13 is to be applied for annual periods beginning on or after January 1, 2013. Earlier application is permitted. The Company is assessing the effect of the changes to IFRS 13 on its financial results and financial position.

4. CASH AND CASH EQUIVALENTS

	October 31, 2011	April 30, 2011
Cash	$ 479,993	$ 755,045
Short-term bank deposits	2,299,925	4,732,329
	$ 2,779,918	$ 5,487,374

5. INVESTMENTS IN SECURITIES

	October 31, 2011	April 30, 2011
Available-for-sale investments	$ 80,791	$ 115,971
Fair value through profit and loss	15,578	27,930
	$ 96,369	$ 143,901

(Expressed in Canadian dollars)

6. EQUIPMENT

	Office	Vehicles	Field	Land	Total
Cost					
As at May 1, 2010	$ 78,498	$ 145,682	$ 172,230	$ -	$ 396,410
Additions	55,883	31,214	8,763	-	95,860
Disposals	(2,787)	-	-	-	(2,787)
As at April 30, 2011	131,594	176,896	180,993	-	489,483
Additions	11,031	-	5,452	44,655	61,138
Disposals	(5,423)	-	(528)	-	(5,951)
As at October 31, 2011	137,202	176,896	185,917	44,655	544,670
Accumulated depreciation					
As at May 1, 2010	44,423	83,343	70,420	-	198,186
Additions	34,122	49,039	38,777	-	121,938
Disposals	(1,611)	-	-	-	(1,611)
As at April 30, 2011	76,934	132,382	109,197	-	318,513
Additions	21,092	35,522	22,808	-	79,422
Disposals	(4,490)	-	(408)	-	(4,898)
As at October 31, 2011	93,536	167,904	131,597	-	393,037
Net book value					
As at May 1, 2010	34,075	62,339	101,810	-	198,224
As at April 30, 2011	54,660	44,514	71,796	-	170,970
As at October 31, 2011	$ 43,666	$ 8,992	$ 54,320	$ 44,655	$ 151,633

(Expressed in Canadian dollars)

7. MINERAL PROPERTIES

The Company, through its subsidiary, Minera Colombia has option agreements to acquire 100% interests in the Yarumalito and Gachala properties. Option payments for these properties have been capitalized to mineral properties.

	October 31, 2011	April 30, 2011
Yarumalito	$ 1,686,534	$ 1,303,852
Gachala	82,034	58,291
	$ 1,768,568	$ 1,362,143

Yarumalito
In October 2011 Colombian made the final option payment of US$380,000 on the Yarumalito property and now holds a 100% interest in the property.

Gachala
Colombian entered into an option agreement to acquire a 100% interest in the Gachala property located in the jurisdiction of the municipalities of Gachala and Ubala, Colombia in consideration of a cash payment of US$20,000. In August 2009 Colombian renegotiated the option agreement. The total purchase price was reduced from US$1,500,000 to US$800,000 and the amount and timing of individual option payments were amended. On August 4, 2011, the Company made the option payment due on the Gachala property in the amount of US$25,000. The following payments must be made in order to maintain the option in good standing and complete the acquisition.

Date	U.S. Dollars	Canadian equivalent outstanding at October 31, 2011
August 4, 2012	$ 30,000	$ 29,769
August 4, 2013	35,000	34,731
August 4, 2014 – 2026 (US$50,000/yr.)	650,000	644,995
August 4, 2027	5,000	4,962
	$ 720,000	$ 714,457

(Expressed in Canadian dollars)

7. EXPLORATION EXPENSES

Exploration expenditures incurred during the three months ended October 31, 2011 were as follows:

	Yarumalito	Nus	Anori	El Dovio	Gachala	Other	Total
Administration	$ 261,775	$ 3,421	$ 2,774	$ 140,080	$ 21,863	$ 42,378	$ 472,291
Assaying	73,083	-	-	32,790	6,130	(135)	111,868
Consultants	93,370	-	6,345	122,105	19,032	7,329	248,181
Drilling	457,272	-	-	-	-	-	457,272
Field costs	55,965	-	676	130,427	3,050	11,885	202,003
Salaries	70,078	-	9	65,999	36	23,295	159,417
Taxes	11,206	-	-	11,010	1,355	1,025	24,596
Travel	4,619	-	182	23,608	-	2,239	30,648
Vehicle costs	5,995	-	10	4,972	28	2,355	13,360
Geophysics	5,000	-	-	-	-	-	5,000
	1,038,363	3,421	9,996	530,991	51,494	90,371	1,724,636
Exploration Cost Recovery	-	(1,007)	-	-	-	(18,335)	(19,342)
	$ 1,038,363	$ 2,414	$ 9,996	$ 530,991	$ 51,494	$ 72,036	$ 1,705,294

(Expressed in Canadian dollars)

8. EXPLORATION EXPENSES (continued)

Exploration expenditures incurred during the three months ended October 31, 2010 were as follows:

	Yarumalito	Nus	Anori	El Dovio	Gachala	Other	Total
Administration	$ 249,543	$ 10,167	$ 5,503	$ 19,217	$ 20,041	$ 49,207	$ 353,678
Assaying	122,325	3,423	619	-	265	21,258	147,890
Consultants	102,308	324	7,314	4,259	19,365	51,215	184,785
Drilling	594,891	-	-	-	-	-	594,891
Field costs	75,375	25,218	24,376	113,776	3,111	116,337	358,193
Salaries	76,071	-	-	4,750	-	48,130	128,951
Taxes	698	-	-	-	52	-	750
Travel	13,253	119	-	1,434	-	8,172	22,978
Vehicle costs	5,495	33	-	193	-	2,602	8,323
Mapping	-	-	-	-	-	14,391	14,391
Geophysics	31,279	-	-	-	-	-	31,279
	$ 1,271,238	$ 39,284	$ 37,812	$ 143,629	$ 42,834	$ 311,312	$ 1,846,109

(Expressed in Canadian dollars)

9. EQUITY

(a) Share capital
Authorized share capital consists of an unlimited number of common shares without par value.

(b) Share options
The Company adopted a share option plan ("the Plan") pursuant to the policies of the TSX Venture Exchange ("the Exchange"). The maximum aggregate number of shares that may be reserved for issuance under the Plan is limited to 10% of the issued common shares of the Company. The maximum term of the options is five years and the vesting requirements are determined at the time of each grant. The Plan has been approved by the Exchange and is approved by the shareholders of the Company each year at its annual general meeting. The continuity of share purchase options for the six months ended October 31, 2011 and for the year ended April 30, 2011 is as follows:

Expiry Date	Exercise Price	**Balance April 30 2011**	Granted	Exercised	Expired / Cancelled	**Balance October 31 2011**	**Vested and Exercisable**
April 2, 2013	$1.00	684,000	-	-	(71,000)	613,000	613,000
October 20, 2014	0.38	40,000	-	-	-	40,000	40,000
January 5, 2015	0.88	118,000	-	-	(75,000)	43,000	43,000
April 14, 2015	1.21	215,000	-	-	(185,000)	30,000	30,000
September 3, 2013	0.69	310,500	-	-	(90,000)	220,500	220,500
September 3, 2012	0.69	320,000	-	-	(10,000)	310,000	310,000
August 10, 2014	0.50	-	525,000	-	-	525,000	175,000
August 10, 2014	0.55	-	1,036,000	-	-	1,036,000	916,000
Total		1,687,500	1,561,000	-	(431,000)	2,817,500	2,347,500
Weighted average							
Exercise price		$ 0.89	$ 0.53	-	$ 1.00	$ 0.67	$ 0.71

Expiry Date	Exercise Price	**Balance May 1 2010**	Granted	Exercised	Expired / Cancelled	**Balance April 30 2011**	**Vested and Exercisable**
April 2, 2013	$1.00	949,000	-	-	(265,000)	684,000	684,000
October 20, 2014	0.38	82,700	-	(42,700)	-	40,000	40,000
January 5, 2015	0.88	143,000	-	-	(25,000)	118,000	118,000
April 14, 2015	1.21	215,000	-	-		215,000	145,000
September 3, 2013	0.69	-	392,000	(13,000)	(68,500)	310,500	261,333
September 3, 2012	0.69	-	320,000	-		320,000	106,667
Total		1,389,700	712,000	(55,700)	(358,500)	1,687,500	1,355,000
Weighted average							
Exercise price		$ 0.89	$ 0.69	$ 0.45	$ 0.93	$ 0.89	$ 0.89

(Expressed in Canadian dollars)

9. EQUITY (continued)

c) Share-Based Payments

On August 10, 2011 Colombian granted 525,000 share purchase options with an exercise price of $0.50 per option to Colombian based employees of the Company and a further 1,036,000 share purchase options at an exercise price of $0.55 per option to certain directors, officers and consultants of the Company. The 525,000 options granted at price of $0.50 vested as follows: one-third on the grant date, one-third in six months and the balance in twelve months. The options priced at $0.55 vested as follows: 916,000 vested on the grant date, 40,000 in six months, 40,000 twelve months from the grant date and 40,000 eighteen months from the grant date. These two option grants were valued using a Black-Scholes option pricing model with the following inputs: a three year life, a risk-free interest rate 0.89%, a dividend yield 0%, and a volatility of 152%. The grant date fair value of the $0.50 priced options was $0.407 per option and the grant date fair value of the $0.55 priced options was $0.402 per option. The Company recorded total share-base payments of $466,842 for the three months ended October 31, 2011 with the offsetting amount credited to share-based payment reserve.

d) Warrants

The continuity of share purchase warrants for the six months ended October 31, 2011 and for the year ended April 30, 2011 is as follows:

Expiry Date	Exercise Price	**Balance, April 30 2011**	Granted	Exercised	Expired / Cancelled	**Balance, October 31 2011**
March 23, 2012	$1.20	4,100,000	-	-	-	4,100,000
March 2, 2013	1.15	4,855,000	-	-	-	4,855,000
March 2, 2013	0.70	627,900	-	-	-	627,900
Total		9,582,900	-	-	-	9,582,900
Weighted average Exercise price		$ 1.14	-	-	-	$ 1.14

Expiry Date	Exercise Price	**Balance, May 1 2010**	Granted	Exercised	Expired / Cancelled	**Balance, April 30 2011**
May 27, 2010	$1.20	950,000			(950,000)	-
March 23, 2012	1.20	4,100,000				4,100,000
March 23, 2011	1.20	122,562			(122,562)	-
March 23, 2012	1.15	-	4,855,000	-	-	4,855,000
March 2, 2013	0.70	-	627,900	-	-	627,900
Total		5,172,562	5,482,900	-	(1,072,562)	9,582,900
Weighted average Exercise price		$ 1.20	$ 1.10	-	$1.20	$ 1.14

(Expressed in Canadian dollars)

9. EQUITY (continued)

e) Loss Per Share

The calculation of basic and diluted loss per share for the six months ended October 31, 2011 was based on the loss attributable to common shareholders of $2,240,845 (2010 – $2,320,751) and a weighted average number of common shares outstanding of 32,591,761 (2010 – 22,831,235). The diluted loss per share did not include the effect of the 1,632,500 share purchase options outstanding because they were anti-dilutive.

10. SEGMENTED INFORMATION

The Company operates in a single reportable operating segment, being exploration and development of mineral properties.

11. RELATED PARTY TRANSACTIONS

The aggregate value of transactions and outstanding balances relating to key management personnel were as follows:

For the six months ended Oct 31, 2011	Salary or Fees	Share-Based Payment	Total
Management Compensation	171,413	189,700	361,113
	$ 171,413	$ 189,700	$ 361,113

For the six months ended Oct 31, 2010	Salary or Fees	Share-Based Payment	Total
Management Compensation	$ 202,015	10,633	212,647
	$ 202,015	$ 10,633	$ 212,647

Related party assets and liabilities	Service or item	October 31, 2011	April 30, 2011
Amounts due to:			
Management	Management fees & Expenses	$ 96,058	$ 90,469

Seabord Services Corp., ("Seabord") is a management services company which has two officers in common. Seabord provides a chief financial officer, a corporate secretary, accounting staff, administration staff and office space to Colombian Mines. The Chief Financial Officer is an employee of Seabord and is not paid directly by Colombian Mines. These transactions are measured at the exchange amount which is the amount agreed to by related parties. During the six months ended October 31, 2011 the Company paid or accrued $75,000 (2010 - $75,000) for these services. Colombian also had $10,000 (2010 - $10,000) of deposits with Seabord which were included in prepaid expenses.

12. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

During the six month period ended October 31, 2011, the Company:

a) Incurred a loss of $12,352 (2010 – nil) on its held for trading investments.
b) received cash for interest income of $13,368 (2010 - $14,128)

13. FINANCIAL AND CAPITAL RISK MANAGEMENT

a) Financial Risk Management

The Company's financial instruments are exposed to certain financial risks, which include currency risk, credit risk, liquidity risk and interest rate risk.

Foreign currency risk
The Company is exposed to the financial risk related to the fluctuation of foreign exchange rates. The Company operates in Canada and Colombia. The Company funds cash calls to its subsidiary company outside of Canada in US dollars and a portion of its expenditures are also incurred in Colombian pesos. The greatest risk is the exchange rate of the Canadian dollar relative to the Colombian peso and a significant change in this rate could have an effect on the Company's results of operations, financial position or cash flows. The Company has not hedged its exposure to currency fluctuations. At October 31, 2011, the Company is exposed to currency risk through the following assets and liabilities denominated in Colombian pesos:

	Colombian Pesos
Cash and cash equivalents	799,366,400
Receivables	5,773,800
Accounts payable and accrued liabilities	(277,007,600)
Net exposure	528,132,600
Canadian dollar equivalent	278,957

Based on the above net exposures as at October 31, 2011 and assuming that all other variables remain constant, a 10% change in the value of the Canadian dollars against the above foreign currencies would result in an increase / decrease of approximately $27,900 to loss from operations.

Credit Risk
The Company's cash and cash equivalents are mainly held through large Canadian or US financial institutions and at October 31, 2011 are mainly held in savings accounts and accordingly, credit risk is minimized.

Liquidity Risk
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through the management of its capital resources as outlined in note 13 (b).

(Expressed in Canadian dollars)

13. FINANCIAL AND CAPITAL RISK MANAGEMENT (continued)

Interest Rate Risk
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The Company's cash is held mainly in term deposits and therefore there is currently minimal interest rate risk.

b) MANAGEMENT OF CAPITAL

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the development of its mineral properties. Colombian relies mainly on equity issuances to raise new capital and on entering into joint venture agreements on certain properties which enables it to conserve capital and to reduce risk. In the management of capital, the Company includes the components of equity as well as cash. The Company prepares annual estimates of exploration and administrative expenditures and monitors actual expenditures compared to the estimates to ensure that there is sufficient capital on hand to meet ongoing obligations. The Company's investment policy is to invest its cash in savings accounts or highly liquid short-term deposits with terms of one year or less and which can be liquidated after thirty days without interest penalty. The Company currently has sufficient capital to cover its administrative costs for the next twelve months and some of its planned exploration expenditures. However it may need to raise more capital in order to fund all of its planned exploration activity.

14. FINANCIAL INSTRUMENTS

The Company has classified its financial assets as follows:

	October 31, 2011			
Financial assets	**Loans-and-receivables**	**Held for trading**	**Available-for-sale**	**Total**
Cash and cash equivalents	$ -	$ 2,779,918	$ -	$ 2,779,918
Receivables	39,611	-	-	39,611
Prepaid expenses	391,970	-	-	391,970
Investment in securities	-	15,578	80,791	96,369
	$ 431,581	$ 2,795,496	$ 80,791	$ 3,307,868

	April 30, 2011			
Financial assets	**Loans-and-receivables**	**Held for trading**	**Available-for-sale**	**Total**
Cash and cash equivalents	$ -	$ 5,487,374	$ -	5,487,374
Receivables	30,286	-	-	30,286
Prepaid expenses	317,979	-	-	317,979
Investments in securities	-	27,930	115,971	143,901
	$ 348,265	$ 5,515,304	$ 115,971	$ 5,979,540

(Expressed in Canadian dollars)

14. FINANCIAL INSTRUMENTS (continued)

The carrying value of its financial assets approximates their fair value as at October 31, 2011 due to their short term maturity except for investments in marketable securities which are carried at fair value. The Company classifies its only financial liability, accounts payable and accrued liabilities as other financial liabilities. The total other liabilities outstanding at October 31, 2011 was $540,811 (April 30, 2011 - $609,141). The carrying value of its financial liabilities approximates their fair value as at October 31, 2011 due to their short term maturity except for a patrimonial tax invoked by the Colombian government based on total assets held in Colombia as at January 1, 2011.

Fair value levels for financial assets and liabilities are as follows:

October 31, 2011	Level 1	Level 2	Total
Financial assets			
Investment in securities	$ 80,791	$ 15,578	$ 96,369

April 30, 2011	Level 1	Level 2	Total
Financial assets			
Investment in securities	$ 115,971	$ 27,930	$ 143,901

15. FIRST TIME ADOPTION OF INTERNATIONAL FINANCIAL REPORTING STANDARDS

As stated in Note 2, these are Colombian's first consolidated interim financial statements for the period covered by the first annual consolidated financial statements prepared in accordance with IFRS. The accounting policies in Note 2 have been applied in preparing the consolidated interim financial statements for the six months ended October 31, 2011, the comparative information for the six months ended October 31, 2010, the financial statements for the year ended April 30, 2011 and the preparation of an opening IFRS statement of financial position on the Transition Date, May 1, 2010.

In preparing its opening IFRS statement of financial position, comparative information for the six months ended October 31, 2010 and financial statements for the year ended April 30, 2011 the Company has adjusted amounts previously reported in financial statements prepared in accordance with Canadian GAAP.

The guidance for the first time adoption of IFRS is set in IFRS 1. IFRS 1 provides for certain mandatory exceptions and optional exemptions for the first time adopters of IFRS.

A reconciliation of Statement of Financial Positions and Statements of Operations and Comprehensive Loss for the periods noted below.

- Consolidated Statement of Financial Position as at the transition date of April 30, 2011
- Consolidated Statement of Financial Position as at the transition date of October 31, 2010
- Consolidated Statement of Comprehensive Loss for the year ended April 30, 2011
- Consolidated Statement of Comprehensive Loss for the six-month period ended October 31, 2010
- Consolidated Statement of Comprehensive Loss for the three-month period ended October 31, 2010
- Consolidated Statement of Cash Flows for the six-month period ended October 31, 2010
- Consolidated Statement of Cash Flows for the year ended April 30, 2011

(Expressed in Canadian dollars)

15. FIRST TIME ADOPTION OF INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRS") (continued)

Consolidated Statement of Financial Position as at April 30, 2011:

	GAAP	IFRS Adjustments	Notes	IFRS
ASSETS				
Current				
Cash and cash equivalents	$ 5,487,374	$ -		$ 5,487,374
Receivables	30,286	-		30,286
Prepaid expenses	317,979	-		317,979
	5,835,639	-		5,835,639
Investment in securities	143,901	-		143,901
Equipment	170,970	-		170,970
Mineral properties	1,469,939	(107,796)	(a)	1,362,143
	$ 7,620,449	$ (107,796)		$ 7,512,653
LIABILITIES AND EQUITY				
Current				
Accounts payable and accrued liabilities	$ 433,443	$ -		$ 433,443
Income tax payable	37,834	-		37,834
	471,277	-		471,277
Non-current				
Accrued liabilities	137,864	-		137,864
Equity				
Share capital	14,360,135	(538)	(b)	14,359,597
Warrant reserve	4,988,949			4,988,949
Share based payment reserve	1,661,326	36,335	(b)	1,697,661
Investment revaluation reserve	(18,888)	-		(18,888)
Deficit	(13,980,214)	(143,593)	(a) (b)	(14,123,807)
	7,011,308	(107,796)		6,903,512
	$ 7,260,449	$ (107,796)		$ 7,512,653

(Expressed in Canadian dollars)

15. FIRST TIME ADOPTION OF INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRS") (continued)

Consolidated Statement of Financial Position as at October 31, 2010:

	GAAP	IFRS Adjustments	Notes	IFRS
ASSETS				
Current				
Cash and cash equivalents	$ 2,020,518	$ -		$ 2,020,518
Receivables	10,331	-		10,331
Prepaid expenses and deposits	86,921	-		86,921
	2,117,770	-		2,117,770
Equipment	159,136	-		159,136
Mineral properties	932,941	(107,796)	(a)	825,145
	$ 3,209,847	$ (107,796)		$ 3,102,051
LIABILITIES AND EQUITY				
Current				
Accounts payable and accrued liabilities	$ 303,018	$ -		$ 303,018
Equity				
Share capital	9,879,627	-		9,879,627
Warrant reserve	3,232,461	-		3,232,461
Share based payment reserve	1,532,464	16,134	(b)	1,548,598
Deficit	(11,737,723)	(123,930)	(a) (b)	(11,861,653)
	2,906,829	(107,796)		2,799,033
	$ 3,209,847	$ (107,796)		$ 3,102,051

(Expressed in Canadian dollars)

15. FIRST TIME ADOPTION OF INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRS") (continued)

Consolidated Statement of Comprehensive Loss for the year ended April 30, 2011:

	GAAP	IFRS Adjustments	Notes	IFRS
EXPLORATION EXPENSES	$ 3,791,071	$ -		$ 3,791,071
ADMINISTRATIVE EXPENSES				
Administration and office costs	295,790	-		295,790
Investor relations and shareholder information	235,895	-		235,895
Professional fees	74,872	-		74,872
Share based payments	416,728	46,803	(b)	463,531
Transfer agent and filing fees	37,692	-		37,692
Travel	8,205	-		8,205
	1,069,182	46,803		1,115,985
Loss before other income and expense	(4,860,253)	(46,803)		(4,907,056)
OTHER INCOME (EXPENSE)				
Change in fair value of derivative financial instruments	(5,213)	-		(5,213)
Foreign exchange gain (loss)	6,499	-		6,499
Gain on sale of equipment	-	-		-
Write-off of capitalized mineral property	-	-		-
Interest income and other income	360,699	-		360,699
	361,985	-		361,985
Net loss before income tax expense	(4,498,268)	(46,803)		(4,545,071)
Current income tax expense	(37,834)	-		(37,834)
Net loss for the year	(4,536,102)	(46,803)		(4,582,905)
Other comprehensive loss				
Change in fair value of investment in securities	(18,888)	-		(18,888)
Comprehensive loss	(4,554,990)	(46,803)		(4,601,793)
Basic and diluted loss per common share	$ (0.19)	-		$ (0.19)
Weighted average number of common shares outstanding - basic and diluted	24,450,013	-		24,450,013

(Expressed in Canadian dollars)

15. FIRST TIME ADOPTION OF INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRS") (continued)

Consolidated Statement of Comprehensive Loss for the six months ended October 31, 2010:

	GAAP	IFRS Adjustments	Notes	IFRS
EXPLORATION EXPENDITURES	$ 1,846,109	$ -		$ 1,846,109
ADMINISTRATIVE EXPENSES				
Administration and office costs	144,210	-		144,210
Investor relations and shareholder information	95,751	-		95,751
Professional fees	29,750	-		29,750
Share based payments	266,928	27,140	(b)	294,068
Transfer agent and filing fees	16,848	-		16,848
Travel	1,377	-		1,377
	554,864	27,140		582,004
Loss before other income and expense	(2,400,973)	(27,140)		(2,428,113)
OTHER INCOME (EXPENSE)				
Foreign exchange gain	35,709	-		35,709
Interest income and other income	71,653	-		71,653
	107,362	-		107,362
Net loss and comprehensive loss for the period	(2,293,611)	(27,140)		(2,320,751)
Deficit, beginning of period	(9,444,112)	(96,790)		(9,540,902)
Deficit, end of period	$ (11,737,723)	$ (123,930)		$(11,861,653)
		-		
Basic and diluted loss per common share	$ (0.10)	$ -		$(0.10)
Weighted average number of common shares outstanding – basic and diluted	22,831,235			22,831,235

(Expressed in Canadian dollars)

15. FIRST TIME ADOPTION OF INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRS") (continued)

Consolidated Statement of Comprehensive Loss for the three months ended October 31, 2010:

	GAAP	IFRS Adjustments	Notes	IFRS
EXPLORATION EXPENDITURES	$ 925,605	$ -		$ 925,605
ADMINISTRATIVE EXPENSES				
Administration and office costs	75,670	-		75,670
Investor relations and shareholder information	63,274	-		63,274
Professional fees	15,710	-		15,710
Share based payments	252,776	(14,101)	(b)	238,675
Transfer agent and filing fees	14,598	-		14,598
Travel	1,377	-		1,377
	423,405	(14,101)		409,304
Loss before other income and expense	(1,349,010)	14,101		(1,334,909)
OTHER INCOME (EXPENSE)				
Foreign exchange gain	(4,118)	-		(4,118)
Interest income and other income	39,231	-		39,231
	35,113	-		35,113
Net loss and comprehensive loss for the period	(1,313,897)	14,101		(1,299,796)
Deficit, beginning of period	(10,423,826)	(138,031)		(10,561,857)
Deficit, end of period	$ (11,737,723)	$ (123,930)		$(11,861,653)
		-		
Basic and diluted loss per common share	$ (0.06)	-		$(0.06)
Weighted average number of common shares outstanding – basic and diluted	22,834,061			22,834,061

(Expressed in Canadian dollars)

15. FIRST TIME ADOPTION OF INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRS") (continued)

Consolidated Statement of Cash Flows for the six months ended October 31, 2010:

	GAAP	IFRS Adjustments	Notes	IFRS
CASH FLOWS FROM (TO)				
OPERATIONS				
Net loss for the period	$ (2,293,611)	$ (27,140)	(b)	$ (2,320,751)
Items not affecting cash:				
Depreciation	57,613	-		57,613
Share based payments	266,928	27,140	(b)	294,068
Changes in non-cash working capital items:				
Receivables	17,114	-		17,114
Prepaid expenses	74,320	-		74,320
Accounts payable and accrued Liabilities	58,856	-		58,856
	(1,818,780)	-		(1,818,780)
INVESTING				
Mineral properties	(371,187)	-		(371,187)
Equipment	(18,525)	-		(18,525)
	(389,712)	-		(389,712)
FINANCING				
Shares issued for cash	3,040	-		3,040
	3,040			3,040
Change in cash and cash equivalents	(2,205,452)	-		(2,205,452)
Cash and cash equivalents, beginning of period	4,225,970	-		4,225,970
Cash and cash equivalents, end of period	$ 2,020,518	$ -		$ 2,020,518

(Expressed in Canadian dollars)

15. FIRST TIME ADOPTION OF INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRS") (continued)

Consolidated Statement of Cash Flows for the year ended April 30, 2011:

	GAAP	IFRS Adjustments	Notes	IFRS
CASH FLOWS FROM (TO)				
OPERATIONS				
Net loss for the period	$ (4,536,102)	$ (46,803)	(b)	$ (4,582,905)
Items not affecting cash:				
Depreciation	121,251	-		121,251
Change in fair value of investment in securities	5,213	-		5,213
Gain on sale of equipment	-	-		-
Gain on optioning of mineral properties	(168,002)	-		(168,002)
Share based payments	416,728	46,803	(b)	463,531
Changes in non-cash working capital items:				
Receivables	(2,841)	-		(2,841)
Prepaid expenses	(156,738)	-		(156,738)
Accounts payable and accrued Liabilities	364,979	-		364,979
	(3,955,512)	-		(3,955,512)
INVESTING				
Mineral properties	(908,185)	-		(908,185)
Equipment	(93,997)	-		(93,997)
	(1,002,182)	-		(1,002,182)
FINANCING				
Shares issued for cash (net)	6,219,098	-		6,219,098
	6,219,098	-		6,219,098
Change in cash and cash equivalents during the year	1,261,404	-		1,261,404
Cash and cash equivalents at beginning of year	4,225,970	-		4,225,970
Cash and cash equivalents at end of year	$ 5,487,374	$ -		$ 5,487,374

a) Deferred Tax on Mineral Properties

Under GAAP Colombian recognized a future income tax liability on the acquisition of mineral properties where the fair value of these properties exceeded their tax values in a transaction which was not a business combination and affected neither accounting profit or loss nor taxable profit or loss. IFRS does not permit the recognition of deferred taxes on such transactions. The original entry had resulted in an increase to mineral properties with an offsetting increase in the deferred tax liability. Subsequently the deferred tax liability had been reversed which reduced the deficit. As a result Colombian has made an adjustment on transition to IFRS to reduce mineral properties by $107,796 with the offsetting increase to the deficit.

15. FIRST TIME ADOPTION OF INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRS") (continued)

b) Share Based Payments

Under GAAP share based compensation for consultants to Colombian had measurement dates which differed from those of employees where the options had vesting conditions and this affected the amount of share based compensation reported for consultants as compared to employees. Under IFRS the definition of employee is much broader than for GAAP such that persons previously categorized as consultants under GAAP are categorized as employees under IFRS. The Company has revised its Black-Scholes option pricing model inputs for persons who were previously considered to be consultants and for IFRS reporting has used the same inputs as were used for employees. This has resulted in changes to the amount of share based compensation recognized and additionally to the amount to the amount of share based compensation reserve reclassified to share capital on the exercise of those share options. The Company has taken the exemption provided under IFRS 2 Share Based Payments and will apply IFRS 2 for equity instruments granted after November 7, 2002 that had not vested at May 1, 2010. Therefore the Company has revised its estimate of share based compensation only for those options that had not vested at May 1, 2010 and any subsequent grants up to April 30, 2011.