COLOMBIAN MINES CORPORATION

CORPORACIÓN MINERA DE COLOMBIA S.A.

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

January 31, 2012

NOTICE TO READER

The accompanying unaudited condensed consolidated interim financial statements of Colombian Mines Corporation for the nine months ended January 31, 2012 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)

	January 31, 2012	April 30, 2011
ASSETS		(Note 15)
Current		
Cash and cash equivalents (Note 4)	$ 1,600,301	$ 5,487,374
Receivables	38,707	30,286
Prepaid expenses	378,970	317,979
	2,017,978	5,835,639
Investment in securities (Note 5)	106,663	143,901
Equipment (Note 6)	138,400	170,970
Mineral properties (Note 7)	1,768,568	1,362,143
TOTAL ASSETS	$ 4,031,609	$ 7,512,653
LIABILITIES AND EQUITY		
Current		
Accounts payable and accrued liabilities (Note 11)	$ 255,672	$ 433,443
Income tax payable	37,834	37,834
	293,506	471,277
Non-current		
Accrued liabilities	98,519	137,864
EQUITY		
Share capital (Note 9)	14,359,597	14,359,597
Warrant reserve	4,988,949	4,988,949
Share based payment reserve	2,244,418	1,697,661
Investment revaluation reserve	(45,471)	(18,888)
Deficit	(17,907,909)	(14,123,807)
TOTAL EQUITY	3,639,584	6,903,512
TOTAL LIABILITIES AND EQUITY	$ 4,031,609	$ 7,512,653

Nature and continuance of operations (Note 1)

Approved on behalf of the Board of Directors on March 26, 2012:

Signed: *"Robert G. Carrington"* Director   Signed: *"Donn Burchill"* 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 January 31 2012	Three Months Ended January 31 2011	Nine months ended January 31 2012	Nine months ended January 31 2011
				(Note 15)
EXPLORATION EXPENDITURES (Note 8)	$ 916,927	$ 918,628	$ 2,622,221	$ 2,764,737
ADMINISTRATIVE EXPENSES				
Administration and office costs	66,533	69,495	227,850	213,705
Depreciation	514	-	1,542	-
Investor relations and shareholder information	50,202	65,721	270,274	161,472
Professional fees	24,464	12,622	77,555	42,372
Share-based compensation (Note 9 (c))	49,022	117,512	546,757	411,580
Transfer agent and filing fees	6,614	5,290	19,307	22,138
Travel	151	2,791	2,610	4,168
	197,500	273,431	1,145,895	855,435
Loss before other income (expense)	(1,114,427)	(1,192,059)	(3,768,116)	(3,620,172)
OTHER INCOME (EXPENSE)				
Change in fair value of investments in securities	1,697	-	(10,655)	-
Foreign exchange (loss) gain	(150)	(19,898)	(39,928)	15,811
Interest income and other income	7,587	53,820	34,597	125,473
	9,134	33,922	(15,986)	141,284
Net loss for the period	$ (1,105,293)	$ (1,158,137)	$ (3,784,102)	$ (3,478,888)
OTHER COMPREHENSIVE LOSS				
Net loss for the period	(1,105,293)	(1,158,137)	(3,784,102)	(3,478,888)
Change in fair value of financial instruments (Note 5)	8,597	(5,194)	(26,583)	(5,194)
Comprehensive (loss)	$ (1,096,696)	$ (1,163,331)	$ (3,810,685)	$ (3,484,082)
Basic and diluted loss per share	$ (0.03)	$ (0.05)	$ (0.12)	$ (0.15)
Weighted average number of common shares Outstanding, basic and diluted	32,591,761	22,872,075	32,591,761	22,844,848

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)

	Nine months ended January 31	
	2012	2011
CASH FLOWS FROM (TO)		(Note 15)
OPERATIONS		
Net loss for the period	$ (3,784,102)	$ (3,478,888)
Items not affecting cash:		
Depreciation	1,542	-
Depreciation included in exploration expense	103,725	90,595
De-recognition of equipment	707	-
Change in fair value of investment in securities	10,655	-
Share received on sale of property	-	(36,359)
Share-based compensation	546,757	411,580
Changes in non-cash working capital items:		
Receivables	(8,421)	(11,027)
Prepaid expenses	(60,991)	89,557
Accounts payable and accrued liabilities	(217,116)	265,893
	(3,407,244)	(2,668,649)
INVESTING		
Mineral properties	(406,425)	(371,187)
Purchase of equipment	(73,404)	(28,236)
	(479,829)	(399,423)
FINANCING		
Shares issued for cash	-	25,196
	-	25,196
Change in cash and cash equivalents during the period	(3,887,073)	(3,042,876)
Cash and cash equivalents at beginning of period	5,487,374	4,225,970
Cash and cash equivalents at end of period	$ 1,600,301	$ 1,183,094

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)
NINE MONTHS ENDED JANUARY 31, 2012 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	55,700	25,196	-		-	-	25,196
Reclassify share based payment reserve on exercise of options	-	23,332		(23,332)	-	-	-
Share based compensation	-	-		411,580	-	-	411,580
Change in fair value of investment in securities	-	-	-	-	(5,194)	-	(5,194)
Loss for the period	-	-	-	-	-	(3,478,888)	(3,478,888)
Balance January 31, 2011	22,881,761	9,922,183	3,232,461	1,645,710	(5,194)	(13,019,790)	1,775,370
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	-	-	-	546,757	-	-	546,757
Change in fair value of investment in securities	-	-	-	-	(26,583)	-	(26,583)
Loss for the period	-	-	-	-	-	(3,784,102)	(3,784,102)
Balance January 31, 2012	32,591,761	14,359,597	4,988,949	2,244,418	(45,471)	(17,907,909)	3,639,584

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 nine months ended January 31, 2012 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 January 31, 2012, the Company had not yet achieved profitable operations, had accumulated losses of $17,907,909 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 January 31, 2011, and comprehensive income for the three and nine months ended January 31, 2011, 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 March 26, 2012 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 January 31, 2012, 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.

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.

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.

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, 201.

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.

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.

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.

(Expressed in Canadian dollars)

3. CHANGES IN ACCOUNTING STANDARDS (continued)

IFRS 7 Financial Instruments: Disclosures, introduces additional disclosures, designed to allow users of financial statements to improve their understanding of transfer transactions of financial assets (for example, securitizations), including understanding the possible effects of any risks that may remain with the entity that transferred the assets. The amendments also require additional disclosures if a disproportionate amount of transfer transactions are undertaken around the end of a reporting period. This revised standard applies to annual periods beginning on or after July 1, 2011.

IAS 12 Deferred Tax: Recovery of Underlying Assets amends the current standard to provide a presumption that recovery of the carrying amount of an asset measured using the fair value model in IAS 40 Investment Property will, normally be through sale. As a result of the amendments, SIC-21 Income Taxes – Recovery of Revalued Non-depreciable Assets would no longer apply to investment properties carried at fair value. The amendments also incorporate into IAS 12 the remaining guidance previously contained in SIC-21, which is accordingly withdrawn.

IAS 1 Presentation of Items of Other Comprehensive Income (“OCI”) revises the current standard regarding the way other comprehensive income is presented. The amendments are as follows:

- Preserve the amendments made to IAS 1 in 2007 to require profit or loss and OCI to be presented together, i.e. either as a single “statement of profit or loss and comprehensive income” or a separate statement of profit or loss and a statement of comprehensive income – rather than requiring a single continuous statement as was proposed in the exposure draft
- Require entities to group items presented in OCI based on whether they are potentially reclassifiable to profit or loss subsequently, i.e. those that might be reclassified and those that will not be reclassified
- Require tax associated with items presented before tax to be shown separately for each of the two groups of OCI items (without changing the option to present items of OCI either before tax or net of tax.

The revised standard is applicable to annual reporting periods beginning on or after July 1, 2012.

The Company has not yet begun the process of assessing the impact that the new and amended standards will have on its financial statements or whether to early-adopt any of the new requirements.

4. CASH AND CASH EQUIVALENTS

		January 31, 2012		**April 30, 2011**
Cash	$	43,683	$	755,045
Short-term bank deposits		1,556,618		4,732,329
	$	1,600,301	$	5,487,374

(Expressed in Canadian dollars)

5. INVESTMENTS IN SECURITIES

		January 31, 2012		April 30, 2011
Available-for-sale investments	$	89,388	$	115,971
Fair value through profit and loss		17,275		27,930
	$	106,663	$	143,901

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		11,763		-		5,787		55,854		73,404
De-recognition		(5,942)		-		(2,090)		-		(8,032)
As at January 31, 2012		137,415		176,896		184,690		55,854		554,855
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		27,567		44,514		33,186		-		105,267
De-recognition		(5,179)		-		(2,146)		-		(7,325)
As at January 31, 2012		99,322		176,896		140,237		-		416,455
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 January 31, 2012	$	38,093	$	-	$	44,453	$	55,854	$	138,400

(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.

	April 30, 2011	Additions	January 31, 2012
Yarumalito	$ 1,303,852	$ 382,682	$ 1,686,534
Gachala	58,291	23,743	82,034
	$ 1,362,143	$ 406,425	$ 1,768,568

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 (note 16).

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 January 31, 2012
August 4, 2012	$ 30,000	$ 30,123
August 4, 2013	35,000	35,144
August 4, 2014 – 2026 (US$50,000/yr.)	650,000	652,665
August 4, 2027	5,000	5,021
	$ 720,000	$ 722,953

(Expressed in Canadian dollars)

8. EXPLORATION EXPENSES

Exploration expenditures incurred during the nine months ended January 31, 2012 were as follows:

	Yarumalito	Nus	Anori	El Dovio	Gachala	Other	Total
Administration	$ 483,147	$ 3,421	$ 5,443	$ 238,821	$ 24,033	$ 30,051	$ 784,916
Assaying	106,325	-	-	36,198	6,130	3,384	152,037
Consultants	153,070	-	10,313	192,407	22,007	12,463	390,260
Drilling	678,728	-	-	-	-	-	678,728
Field costs	76,108	-	2,246	189,739	8,056	21,665	297,814
Salaries	101,526	-	101	103,866	2,924	31,408	239,825
Taxes	11,140	-	-	13,128	5,825	2,930	33,023
Travel	5,332	-	343	29,883	2,314	5,041	42,913
Vehicle costs	7,768	-	10	5,720	411	3,138	17,047
Geophysics	5,000	-	-	-	-	-	5,000
	1,628,144	3,421	18,456	809,762	71,700	110,080	2,641,563
Exploration Cost Recovery	-	(1,007)	-	-	-	(18,335)	(19,342)
	$ 1,628,144	$ 2,414	$ 18,456	$ 809,762	$ 71,700	$ 91,745	$ 2,622,221

(Expressed in Canadian dollars)

8. EXPLORATION EXPENSES (continued)

Exploration expenditures incurred during the nine months ended January 31, 2011 were as follows:

	Yarumalito	Nus	Anori	El Dovio	Gachala	Other	Total
Administration	$ 173,087	$ 4,981	$ 9,458	$ 69,650	$ 49,950	$ 233,073	$ 540,199
Assaying	220,486	777	618	5,422	32	17,343	244,678
Consultants	143,716	323	10,331	21,098	23,096	65,888	264,452
Drilling	918,992	-	-	-	-	-	918,992
Field costs	114,036	23,875	23,149	124,839	3,008	120,718	409,625
Salaries	126,851	-	-	24,165	2,110	56,312	209,438
Taxes	122,683	7,105	4,007	12,754	10,715	41,481	198,745
Travel	15,545	117	-	2,325	529	9,476	27,992
Vehicle costs	8,853	32	-	365	216	3,183	12,649
Mapping	-	-	-	-	-	14,391	14,391
Geophysics	31,279	-	-	-	-	-	31,279
	1,875,528	37,210	47,563	260,618	89,656	561,865	2,872,440
Exploration Cost Recovery	(4,981)	(36,359)	(47,563)	-	-	(18,800)	(107,703)
	$ 1,870,547	$ 851	$ -	$ 260 618	$ 89,656	$ 543,065	$ 2,764,737

(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 nine months ended January 31, 2012 and for the year ended April 30, 2011 is as follows:

Expiry Date	Exercise Price	**Balance April 30 2011**	Granted	Exercised	Expired / Cancelled	**Balance January 31 2012**	**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	-	-	(80,000)	38,000	38,000
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	-	(100,000)	425,000	141,667
August 10, 2014	0.55	-	1,036,000	-	-	1,036,000	916,000
Total		1,687,500	1,561,000	-	(536,000)	2,712,500	2,309,167
Weighted average							
Exercise price		$ 0.89	$ 0.53	-	$ 0.90	$ 0.68	$ 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 $ 546,757 for the nine months ended January 31, 2012 with the offsetting amount credited to share-based payment reserve.

d) Warrants

The continuity of share purchase warrants for the nine months ended January 31, 2012 and for the year ended April 30, 2011 is as follows:

Expiry Date	Exercise Price	**Balance, April 30 2011**	Granted	Exercised	Expired / Cancelled	**Balance, January 31 2012**
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 nine months ended January 31, 2012 was based on the loss attributable to common shareholders of $3,784,102 (2010 – $3,478,888) 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 warrants or 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 nine months ended Jan 31, 2012	Salary or Fees	Share-Based Payment	Total
Management Compensation	$ 249,528	$ 189,700	$ 439,228

For the nine months ended Jan 31, 2011	Salary or Fees	Share-Based Payment	Total
Management Compensation	$ 290,403	$ 16,879	$ 307,282

Related party assets and liabilities	Service or item	January 31, 2012	April 30, 2011
Amounts due to:			
Management	Management fees & Expenses	$ 31,705	$ 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 nine months ended January 31, 2012 the Company paid or accrued $112,500 (2010 - $112,500) 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 nine month period ended January 31, 2012, the Company:

a) Incurred a loss of $10,655 (2010 – nil) on its held for trading investments.
b) received cash for interest income of $22,875 (2011 - $18,468)

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 January 31, 2012, the Company is exposed to currency risk through the following assets and liabilities denominated in Colombian pesos:

	Colombian Pesos
Cash and cash equivalents	172,843,500
Receivables	2,678,800
Accounts payable and accrued liabilities	(259,794,700)
Net exposure	(84,272,400)
Canadian dollar equivalent	(46,114)

Based on the above net exposures as at January 31, 2012 and assuming that all other variables remain constant, a 10% change in the value of the Canadian dollars against the above foreign currency would result in an increase / decrease of approximately $4,600 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 January 31, 2012 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:

January 31, 2012				
Financial assets	**Loans-and-receivables**	**Held for trading**	**Available-for-sale**	**Total**
Cash and cash equivalents	$ -	$ 1,600,301	$ -	$ 1,600,301
Receivables	38,707	-	-	38,707
Prepaid expenses	378,970	-	-	378,970
Investment in securities	-	17,275	89,388	106,663
	$ 417,677	$ 1,617,576	$ 89,388	$ 2,124,641

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 January 31, 2012 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 January 31, 2012 was $510,055 (April 30, 2011 - $609,141). The carrying value of its financial liabilities approximates their fair value as at January 31, 2012 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:

January 31, 2012	Level 1	Level 2	Total
Financial assets			
Investment in securities	$ 89,388	$ 17,275	$ 106,663

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 nine months ended January 31, 2012, the comparative information for the nine months ended January 31, 2011, 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 nine months ended January 31, 2011 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 January 31, 2011
- Consolidated Statement of Comprehensive Loss for the year ended April 30, 2011
- Consolidated Statement of Comprehensive Loss for the nine-month period ended January 31, 2011
- Consolidated Statement of Comprehensive Loss for the three-month period ended January 31, 2011
- Consolidated Statement of Cash Flows for the nine-month period ended January 31, 2011
- 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 January 31, 2011:

	GAAP	IFRS Adjustments	Notes	IFRS
ASSETS				
Current				
Cash and cash equivalents	$ 1,183,094	$ -		$ 1,183,094
Receivables	38,472	-		38,472
Prepaid expenses and deposits	71,684	-		71,684
	1,293,250	-		1,293,250
Long term investment	31,165			31,165
Equipment	135,865	-		135,865
Mineral properties	932,941	(107,796)	(a)	825,145
	$ 2,393,221	$ (107,796)		$ 2,285,425
LIABILITIES AND EQUITY				
Current				
Accounts payable and accrued liabilities	$ 377,468	$ -		$ 377,468
Non - current				
Accrued liabilities	$ 132,587	$ -		$ 132,587
Equity				
Share capital	9,922,721	(538)	(b)	9,922,183
Warrant reserve	3,232,461	-		3,232,461
Share based payment reserve	1,623,450	22,260	(b)	1,645,710
Investment revaluation reserve	(5,194)			(5,194)
Deficit	(12,890,272)	(129,518)	(a) (b)	(13,019,790)
	1,883,166	(107,796)		1,775,370
	$ 2,393,221	$ (107,796)		$ 2,285,425

(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 nine months ended January 31, 2011:

	GAAP	IFRS Adjustments	Notes	IFRS
EXPLORATION EXPENDITURES	$ 2,764,737	$ -		$ 2,764,737
ADMINISTRATIVE EXPENSES				
Administration and office costs	213,705	-		213,705
Investor relations and shareholder information	161,472	-		161,472
Professional fees	42,372	-		42,372
Share based payments	378,852	32,728	(b)	411,580
Transfer agent and filing fees	22,138	-		22,138
Travel	4,168	-		4,168
	822,707	32,728		855,435
Loss before other income and expense	(3,587,444)	(32,728)		(3,620,172)
OTHER INCOME (EXPENSE)				
Foreign exchange gain	15,811	-		15,811
Interest income and other income	125,473	-		125,473
	141,284	-		141,284
Net loss for the period	(3,446,160)	(32,728)		(3,478,888)
Other comprehensive loss				
Change in fair value of investment in securities	(5,194)	-		(5,194)
Net loss and comprehensive loss for the period	(3,451,345)	(32,728)		(3,484,073)
Deficit, beginning of period	(9,444,112)	(96,790)		(9,540,902)
Net income (loss) for the period	(3,446,160)	(32,728)		(3,478,888)
Deficit, end of period	$ (12,890,272)	$ (129,518)		$(13,019,790)
		-		
Basic and diluted loss per common share	$ (0.15)	$ -		$(0.15)
Weighted average number of common shares outstanding – basic and diluted	22,844,848			22,844,848

(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 January 31, 2011:

	GAAP	IFRS Adjustments	Notes	IFRS
EXPLORATION EXPENDITURES	$ 918,628	$ -		$ 918,628
ADMINISTRATIVE EXPENSES				
Administration and office costs	69,495	-		69,495
Investor relations and shareholder information	65,721	-		65,721
Professional fees	12,622	-		12,622
Share based payments	111,924	5,588	(b)	117,512
Transfer agent and filing fees	5,290	-		5,290
Travel	2,791	-		2,791
	267,843	5,588		273,431
Loss before other income and expense	(1,186,471)	(5,588)		(1,192,059)
OTHER INCOME (EXPENSE)				
Foreign exchange gain	(19,898)	-		(19,898)
Interest income and other income	53,820	-		53,820
	33,922	-		33,922
Net loss for the period	(1,152,549)	(5,588)		(1,158,137)
Other comprehensive loss				
Change in fair value of investment in securities	(5,194)	-		(5,194)
Net loss and comprehensive loss for the period	(1,157,743)	(5,588)		(1,163,331)
Deficit, beginning of period	(11,737,723)	(123,930)		(11,861,653)
Net income (loss) for the period	(1,152,549)	(5,588)		(1,158,137)
Deficit, end of period	$ (12,890,272)	$ (129,518)		$ (13,019,790)
		-		
Basic and diluted loss per common share	$ (0.05)	$ -		$ (0.05)
Weighted average number of common shares outstanding – basic and diluted	22,872,075			22,872,075

(Expressed in Canadian dollars)

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

Consolidated Statement of Cash Flows for the nine months ended January 31, 2011:

	GAAP	IFRS Adjustments	Notes	IFRS
CASH FLOWS FROM (TO)				
OPERATIONS				
Net loss for the period	$ (3,446,160)	$ (32,728)	(b)	$ (3,478,888)
Items not affecting cash:				
Depreciation	90,595	-		90,595
Share received on sale of property	(36,539)	-		(36,539)
Share based payments	378,852	32,728	(b)	411,580
Changes in non-cash working capital items:				
Receivables	(11,027)	-		(11,027)
Prepaid expenses	89,557	-		89,557
Accounts payable and accrued Liabilities	265,893	-		265,893
	(2,668,649)	-		(2,668,649)
INVESTING				
Mineral properties	(371,187)	-		(371,187)
Equipment	(28,236)	-		(28,236)
	(399,423)	-		(399,423)
FINANCING				
Shares issued for cash	25,196	-		25,196
	25,196			25,196
Change in cash and cash equivalents	(3,042,876)	-		(3,042,876)
Cash and cash equivalents, beginning of period	4,225,970	-		4,225,970
Cash and cash equivalents, end of period	$ 1,183,094	$ -		$ 1,183,094

(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.

16. EVENTS AFTER THE REPORTING DATE

Yarumalito Agreement and Private Placement with Teck Resources Limited
On March 2, 2012 the Company announced that it had entered into an agreement with Teck Resources Limited ("Teck") subject to regulatory approval and the satisfaction of certain conditions prior to April 30, 2012, whereby Teck will subscribe for 1,887,000 units of Colombian at a price of $0.53 per unit in a non-brokered private placement for total proceeds of $1,000,110. Each unit will consist of one common share and one-half common share purchase warrant. Each full warrant may be exercised at a price of $0.90 for 12 months after the closing date of the private placement and then at a price of $1.15 per warrant during the period between 12 months and 24 months after the closing date of the private placement. Teck may also subscribe for an additional 963,000 units at a price of $0.53 per unit for additional proceeds of $510,390 no later than May 31, 2012 upon satisfaction of a waiver condition. Each full warrant may be exercised at a price of $0.90 for 12 months after the closing date of the private placement and then at a price of $1.15 per share during the period between 12 months and 24 months after the closing date of the private placement. There are no restrictions on the use of the proceeds from the private placements.

Concurrent with the closing of the second private placement, Colombian will enter into an option agreement with Teck to earn an initial 55% interest in the Yarumalito project by spending $5 million on or before the fourth anniversary of the agreement. Of this, $1.5 million is a non-revocable commitment to be spent within 12 months of the effective date of the agreement. Teck will have a second option to earn an additional 15% undivided interest by spending an additional $5 million in exploration on or before the sixth anniversary of the effective date of the agreement.

Proposed Extension and Re-pricing of Share Purchase Warrants
In March 2012, the TSX Venture Exchange approved the Company's request to extend the expiry date and reduce the exercise price of a total of 4,100,000 share purchase warrants which were issued in a March 2010 private placement. The original exercise price was $1.20 per warrant and the amended price is $0.90 per warrant and the amended expiry date is December 22, 2012. The amendments to the warrants became effective on March 22, 2012.

Share Purchase Options
In March 2012 the Company granted 500,000 share purchase options to certain employees, newly appointed members of the Board of Directors and the Advisory Board. The options have an exercise price of $0.51 per option for a period of two years.