COLOMBIAN MINES CORPORATION
(An Exploration Stage Company)

MANAGEMENT'S DISCUSSION AND ANALYSIS

Three Months Ended July 31, 2009

GENERAL

This discussion and analysis of financial position and results of operations is prepared as at September 11, 2009 and should be read in conjunction with the interim consolidated financial statements for the three months ended July 31, 2009 of Colombian Mines Corporation (the "Company" or "Colombian" or "CMJ") and the related notes thereto. Those consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles for interim financial statements and as a result they do not contain all disclosure required under generally accepted accounting principles for annual financial statements. Therefore, readers may want to refer to the April 30, 2009 annual audited consolidated financial statements. All dollar amounts included therein and in the following management discussion and analysis ("MD&A") are in Canadian dollars except where noted. Financial statements and additional information relevant to the Company's activities can be found on SEDAR at www.sedar.com.

FORWARD-LOOKING STATEMENTS

Certain statements contained in the following MD&A constitute forward-looking statements. Such forward-looking statements involve a number of known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements.

DESCRIPTION OF BUSINESS

Colombian Mines Corporation was incorporated under the *Business Corporation Act* (B.C.) on May 16, 2006. The Company acquired all of the outstanding shares of Corporacion Minera Colombia S.A. ("Minera Colombia") on September 16, 2006 by way of a Share Exchange Agreement (the "Agreement"). Minera Colombia was formed in February 2006, and was conducting early stage exploration activities in Colombia.

The Company is an exploration company dedicated to the identification, acquisition and exploration of precious metal and base metal projects. The Company's strategy is to advance its projects through prospecting and drilling stages and to seek new partners through joint-ventures or other associations to fund continued project development.

EXPLORATION REVIEW

Yarumalito Property

During June, Colombian Mines received the results from a detailed soil auger program at Yarumalito conducted by an interested outside third party as part of an evaluation as to the extent and nature of the gold mineralization of the property. The soil auger program was designed to test the bottom of the soil horizon and to include rock chips where possible, although soil cover was too deep for consistent sampling in some areas. Auger sampling results from this program have greatly enhanced our understanding of the property, especially when combined with soil (MMI method) results from an earlier property-wide survey conducted last year by the Company. Better gold porphyry target definition has been achieved and should allow CMJ to more easily rank target areas for follow-up drilling later in 2009. The Company expects that the drilling program will be approximately 1,200 meters with a budget of about US$300,000. In August, Colombian was able to amend the terms of the Yarumalito option agreement to reduce the purchase price from US$1,500,000 to US$1,450,000 and to reschedule the timing and the amounts of future payments. Under the new agreement the option payment due on October 15, 2009 has been reduced from US$200,000 to US$50,000.

The Company also selected two weighted average composite samples from drilling and one from surface channel sampling for preliminary metallurgical work by McClelland Metallurgical Laboratories of Reno, Nevada. These samples are being delivered to the lab and results are expected in the next quarter.

Other Properties

The Company continues to actively seek JV partners on our more prominent properties, including: El Dovio, Yarumalito, Cerro de Cobre, Anori and Nus. Due to the continued strong gold price, regional stability in Colombia and the recent discovery success in the eastern part of the country, interest in property purchase agreements and Joint Ventures have greatly accelerated. Also, in August, Colombian negotiated an amended option agreement with the Gachala property owners which reduces the purchase price from US$1,500,000 to US$800,000 and also reschedules the timing and amounts of future payments. Under the new agreement, the August 4, 2009 payment was reduced from US$55,000 to US$15,000 and this payment was made in early August.

Colombian Mines has mineral applications within Colombia covering approximately 300,000 hectares. The Company will continue to evaluate the mineral potential of these applications throughout the rest of the year and determine their suitability for future work by the Company, or for a farm-out.

Mr. Robert G. Carrington, P.Geo., a Qualified Person as defined by National Instrument 43-101 and President of the Company, has reviewed and verified the technical information which forms the basis of the above technical disclosure on Colombian exploration activities.

RESULTS OF OPERATIONS

<u>Three Months Ended July 31, 2009</u>

The Company recorded a loss of $94,070 (2008 - $862,348) for the three months ended July 31, 2009. The loss was higher in 2008 due to higher: exploration costs, administration and office costs, investor relations costs and higher costs for the transfer agent. Exploration expenditures were higher in 2008 due to a higher level of exploration activity on all Company projects. In the quarter ended July 31, 2009 the Company was conducting minimal exploration activity, whereas in the prior comparative quarter exploration activity was at a normal operating level. Administration and office costs were lower in 2009 because most of the office staff in Colombia was laid off and the chief executive officer and president did not charge for their time. Investor relations costs were lower in 2009 because Colombian did not do any investor relations activities in the quarter in order to conserve its working capital. Transfer agent costs were higher in 2008 because the Company had a private placement in the July quarter and there was no equivalent activity in 2009.

LIQUIDITY AND CAPITAL RESOURCES

Working capital decreased to $1,382,478 at July 31, 2009 from $1,413,336 at April 30, 2009, due to funds used in operations which were partially offset by proceeds from the sale of equipment. The Company expects that it will be difficult to raise additional funds with acceptable terms from equity issues in the near term. Therefore Colombian is monitoring all of its costs and is searching for partners for its main exploration properties in order to reduce cash outlays. A number of companies have expressed an interest in Colombian's properties. However to date no agreements have been concluded. If no partners can be found then the Company may be required to reduce exploration field work for the next twelve months or until equity markets improve. The Company has significantly reduced its workforce in Colombia since January 2009 and at present, the chief executive officer and the president are no longer charging the Company for their services and the president of the Colombian subsidiary is being paid at slightly more than half her previous rate. The Company anticipates that through a combination of obtaining partners for its main exploration projects and / or reducing exploration field work and reducing administrative costs, that there are sufficient funds available for operating activities for the next twelve months.

EXPLORATION COMMITMENTS

Colombian has commitments on its option agreements on the Yarumalito and Gachala properties of US$70,000 which fall due in the next twelve months. The Company must make these payments to keep the option agreements in good standing. However, the Company can terminate these option agreements and relinquish its interest in these properties at any time without penalty. The Company is currently seeking joint venture partners to share in the cost of future option payments and exploration programs. However the likelihood for success in completing a joint venture agreement cannot be determined.

QUARTERLY INFORMATION

		2009		2009		2009		2008
Quarter Ended		**July 31**		**Apr. 30**		**Jan. 31**		**Oct. 31**
Exploration expenditures	$	66,814	$	333,689	$	269,768	$	497,511
Administrative and other items		27,256		27,214		405,294		169,403
Loss for the period		(94,070)		(360,903)		(675,062)		(666,914)
Loss per Share (Basic and Diluted)		(0.01)		(0.02)		(0.04)		(0.04)

		2008		2008		2008		2007
Quarter Ended		**July 31**		**Apr. 30**		**Jan. 31**		**Oct. 31**
Exploration expenditures	$	720,148	$	644,099	$	671,629	$	341,066
Administrative and other items		142,200		119,894		1,225,960		109,016
Loss for the period		(862,348)		(763,993)		(1,897,589)		(450,082)
Loss per Share (Basic and Diluted)		(0.05)		(0.05)		(0.12)		(0.04)

The loss for the quarter ended July 31, 2009 was lower than for the prior quarter due to lower exploration expenditures. The Company was operating with minimal exploration staff in the July quarter whereas in the prior quarter the Company had issued lay-off notices but still had most of its Colombian exploration crew in place.

The loss for the quarter ended April 30, 2009 was lower than for the prior quarter due to higher investor relations costs and professional fees and due to the write off of capitalized acquisition costs for the Guayabales property, in the quarter ending January 31, 2009. Investor relations costs were lower in the current quarter as a result management's efforts to reduce spending in this category. Professional fees were lower in the current quarter because the Company undertook some tax planning work in the prior quarter and also in the prior quarter legal costs were higher on general corporate matters.

The loss for the quarter ended January 31, 2009 was similar to the loss for the prior quarter due to offsetting variances. October exploration costs were higher than for the current quarter because of a higher level of activity on the Guayables property. Administrative and other items were higher in the quarter ended January 31, 2009 due to writing off capitalized mineral property acquisition costs for the Guayabales property partially offset by a favourable variance on exchange.

The loss for the quarter ended October 31, 2008 was lower than for the prior quarter due to lower exploration expenditures as the Company began to reduce exploration activity as a result of the global financial crisis and the impact it has on Colombian's ability to raise additional funds through equity issues.

The loss for the quarter ended July 31, 2008 was higher than for the prior quarter due to higher costs for: exploration expenditures, foreign exchange and office costs partially offset by lower professional fees and a property write-off which occurred in the prior quarter for which there was no comparable charge in the quarter ended July 31, 2008. There was a small foreign exchange loss in the July 2008 quarter compared to a significant foreign exchange gain in the prior quarter. In the prior quarter the

Colombian peso strengthened significantly against both the Canadian and US dollars, whereas in the July 2008 quarter, the Colombian peso weakened marginally against the Canadian and US dollars. Office costs were higher than in the prior quarter due to increased costs in Colombia due to a higher level of activity. Professional fees were lower than in the prior quarter because there were higher legal fees for property acquisitions, general corporate matters and higher accruals for year-end audit fees in the prior quarter than in the July 2008 quarter.

For the quarter ended April 30, 2008, administrative and other items were lower than in the prior quarter because there was no stock-based compensation.

For the quarter ended January 31, 2008 exploration expenditures were higher than for the prior quarter mainly due to due diligence conducted on the Zancudo property. Administrative and other items were significantly higher due to stock-based compensation plus higher costs relating to completing private placements and the Company's initial public offering.

OFF-BALANCE SHEET ARRANGEMENTS

There are no off-balance sheet arrangements or obligations that are not disclosed in the financial statements.

RELATED PARTY TRANSACTIONS

During the three months ended July 31, 2009, the Company paid $34,300 (2008 - $Nil) to Seabord Services Corp. ("Seabord"), a management services company which has two officers in common, for administrative services which include: a chief financial officer, a corporate secretary, accounting staff and office space. As at April 30, 2009, the Company had deposits for future services with Seabord in the amount of $10,000 (2008 - $Nil) which were included in prepaid expenses. The amounts charged represent management's estimate of the fair value of the services provided. These transactions were in the normal course of operations.

MANAGEMENT COMPENSATION

For the three months ended July 31, 2009, no compensation was paid to any of the directors or officers of the Company. The chief financial officer and the corporate secretary are provided by Seabord and therefore Colombian does not compensate them directly.

RECENT ACCOUNTING PRONOUNCEMENTS

Business Combinations and Related Sections

CICA Handbook Section 1582, "Business Combinations" and Section 1601, "Non-Controlling Interests", replace Sections 1581 and 1600 respectively. The new standards revise guidance on the determination of the carrying amount of assets acquired and liabilities assumed, goodwill and accounting for non-controlling interests at the time of a business combination. These standards are effective for fiscal years beginning on or after January 1, 2011 prospectively, with early adoption permitted. Colombian is assessing the impact of these new standards on its consolidated financial statements.

Convergence with International Financial Reporting Standards

A Decision of the CICA Accounting Standards Board (the "AcSB") will require the Company to report under International Financial Reporting Standards ("IFRS") for interim and annual financial statements for fiscal years beginning on or after January 1, 2011. The Company will be required to restate for comparative purposes, amounts reported by the Company for the year ended April 30, 2011. Colombian has completed a scoping study which identifies the mandatory and optional exemptions from retrospective application of IFRS accounting policies and provides a comparison of the Company's current accounting policies with those prescribed under IFRS. For the balance of fiscal 2010 the Company will be selecting the exemptions it will make for the transition to IFRS and will be documenting its new accounting policies under IFRS.

RISKS AND UNCERTAINTIES

Mineral Property Exploration and Mining Risks

The business of mineral deposit exploration and extraction involves a high degree of risk. Few properties that are explored ultimately become producing mines. At present, none of the Company's properties has a known commercial ore deposit. The main operating risks include: ensuring ownership of and access to mineral properties by confirmation that option agreements, claims and leases are in good standing and obtaining permits for drilling and other exploration activities.

Colombian is currently earning an interest in certain of its properties through option agreements and acquisition of title to the properties is only completed when the option conditions have been met. These conditions generally include making property payments, incurring exploration expenditures on the properties and can include the satisfactory completion of pre-feasibility studies. If the Company does not satisfactorily complete these option conditions in the time frame laid out in the option agreements, the Company's title to the related property will not vest and the Company will have to write-off the previously capitalized costs related to that property.

The market prices for silver, gold and other metals can be volatile and there is no assurance that a profitable market will exist for a production decision to be made or for the ultimate sale of the metals even if commercial quantities of precious and other metals are discovered.

Financing and Share Price Fluctuation Risks

Colombian has limited financial resources, has no source of operating cash flow and has no assurance that additional funding will be available to it for further exploration and development of its projects. Further exploration and development of one or more of the Company's projects may be dependent upon the Company's ability to obtain financing through equity or debt financing or other means. Failure to obtain this financing could result in delay or indefinite postponement of further exploration and development of its projects which could result in the loss of one or more of its properties.

Recently, the securities markets have experienced a high degree of price and volume volatility, and the market price of securities of many companies, particularly those considered to be development stage companies such as Colombian, have experienced wide fluctuations in share prices which have not necessarily been related to their operating performance, underlying asset values or prospects. There can be no assurance that these kinds of share price fluctuations will not occur in the future, and if they do occur, how severe the impact may be on Colombian's ability to raise additional funds through equity issues.

Political and Currency Risks

The Company is operating in a country that has had a high-risk political environment; however the current political situation appears to be stable. Changing political situations may affect the manner in which the Company operates. The Company's equity financings are sourced in Canadian dollars but for the most part it incurs its expenditures in Colombian pesos or in US dollars. At this time there are no currency hedges in place. Therefore a weakening of the Canadian dollar against the US dollar or the Colombian peso could have an adverse impact on the amount of exploration conducted.

Insured and Uninsured Risks

In the course of exploration, development and production of mineral properties, the Company is subject to a number of risks and hazards in general, including adverse environmental conditions, operational accidents, labor disputes, unusual or unexpected geological conditions, changes in the regulatory environment and natural phenomena such as inclement weather conditions, floods, and earthquakes. Such occurrences could result in the damage to the Company's property or facilities and equipment, personal injury or death, environmental damage to properties of the Company or others, delays, monetary losses and possible legal liability.

Although the Company may maintain insurance to protect against certain risks in such amounts as it considers reasonable, its insurance may not cover all the potential risks associated with its operations. The Company may also be unable to maintain insurance to cover these risks at economically feasible premiums or for other reasons. Should such liabilities arise, they could reduce or eliminate future profitability and result in increased costs, have a material adverse effect on the Company's results and result in a decline in the value of the securities of the Company.

Some work is carried out through independent consultants and the Company requires that all consultants carry their own insurance to cover any potential liabilities as a result of their work on a project.

Environmental Risks and Hazards

The activities of the Company are subject to environmental regulations issued and enforced by government agencies. Environmental legislation is evolving in a manner that will require stricter standards and enforcement and involve increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects, and a heightened degree of responsibility for companies and their officers, directors and employees. There can be no assurance that future changes in environmental regulation, if any, will not adversely affect Colombian's operations. Environmental hazards may exist on properties in which the Company holds interests which are unknown to the Company at present.

Competition

The Company will compete with many companies and individuals that have substantially greater financial and technical resources than the Company, for the acquisition and development of its projects as well as for the recruitment and retention of qualified employees.

OUTSTANDING SHARE DATA

As at September 11, 2009 there were 18,515,761 common shares issued and outstanding and 950,000 share purchase warrants outstanding with an exercise price of $1.20 per warrant and an expiry date of May 27, 2010. There were also 1,223,000 stock options issued and outstanding to directors, officers, employees and consultants of Company which expire on April 2, 2013.