

COLOMBIAN MINES CORPORATION

CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in Canadian Dollars)

July 31, 2008

The accompanying unaudited interim financial statements of Columbian Mines Corporation for the three months ended July 31, 2008 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
CONSOLIDATED BALANCE SHEETS
(Expressed in Canadian Dollars)
(Unaudited – Prepared by Management)

	July 31, 2008	April 30, 2008
ASSETS		
Current		
Cash and cash equivalents	\$ 2,585,784	\$ 2,508,931
Receivables	236,182	222,867
Prepaid expenses	190,691	229,264
	3,012,657	2,961,062
Equipment (Note 3)	315,964	350,877
Mineral properties (Note 4)	740,099	699,340
Databases (Note5)	31,520	45,029
	\$ 4,100,240	\$ 4,056,308

LIABILITIES AND SHAREHOLDERS' EQUITY

Current

Accounts payable and accrued liabilities	\$ 187,409	\$ 164,629
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Shareholders' equity

Capital stock (Note 6)	7,659,187	7,154,495
Contributed surplus (Note 6)	2,500,038	2,121,230
Deficit	(6,246,394)	(5,384,046)
	3,912,831	3,891,679
	\$ 4,100,240	\$ 4,056,308

Nature and continuance of operations (Note 1)

Commitments (Note 9)

On behalf of the Board:

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

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

COLOMBIAN MINES CORPORATION
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS AND DEFICIT
(Expressed in Canadian Dollars)
THREE MONTHS ENDED JULY 31
(Unaudited – Prepared by Management)

	2008	2007
EXPLORATION EXPENDITURES (Note 4)	\$ 720,148	\$ 347,013
ADMINISTRATIVE EXPENSES		
Amortization	13,795	13,794
Consultants	38,931	29,124
Office costs	30,660	12,581
Investor relations and shareholder information	17,999	7,901
Professional fees	23,438	1,000
Transfer agent and filing fees	18,174	3,589
Travel	4,820	3,197
	147,817	71,186
Loss before other income and expense	(867,965)	(418,199)
OTHER ITEMS		
Foreign exchange gain (loss)	(15,437)	(9,080)
Interest income and other income	21,054	5,757
	5,617	(3,323)
Net loss and comprehensive loss for the period	(862,348)	(421,522)
Deficit, beginning of period	(5,384,046)	(1,726,495)
Deficit, end of period	\$ (6,246,394)	\$ (2,148,017)
Basic and diluted loss per common share	\$ (0.05)	\$ (0.04)
Weighted average number of common shares outstanding	18,515,761	10,765,761

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

COLOMBIAN MINES CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in Canadian Dollars)
THREE MONTHS ENDED JULY 31
(Unaudited – Prepared by Management)

	2008	2007
OPERATING ACTIVITIES		
Net loss for the period	\$ (862,348)	\$ (421,522)
Items not affecting cash:		
Amortization	35,490	25,703
Change in non-cash working capital items:		
Receivables	4,262	78,212
Prepaid expenses	38,573	(29,560)
Accounts payable and accrued liabilities	22,780	(77,248)
Net cash used in operating activities	(761,243)	(424,415)
INVESTING ACTIVITIES		
Mineral properties	(40,759)	(43,659)
Equipment	(4,645)	(39,087)
Net cash used in investing activities	(45,404)	(82,746)
FINANCING ACTIVITIES		
Shares issued for cash	883,500	-
Deferred financing costs	-	(82,671)
Net cash provided by (used in) financing activities	883,500	(82,671)
Change in cash and cash equivalents during the period	76,853	(589,832)
Cash and cash equivalents beginning of period	2,508,931	1,014,046
Cash and cash equivalents end of period	\$ 2,585,784	\$ 424,214

Supplementary cash flow information (Note 8)

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

COLOMBIAN MINES CORPORATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in Canadian dollars)
JULY 31, 2008

1. NATURE AND CONTINUANCE OF OPERATIONS

Colombian Mines Corporation's ("Colombian" or the "Company") principal business activities are the acquisition and exploration of mineral properties in Colombia. The Company's continuing operations and the ability of the Company to meet its mineral property commitments are dependent upon the support of future joint venture partners and the ability of the Company to raise additional financing. Colombian's mineral exploration activities are located in an emerging nation and consequently, may be subject to a higher level of risk compared to other developed countries. Operations, the status of mineral property rights and the recoverability of investments in emerging nations can be affected by changing economic, regulatory and political situations.

The Company is currently exploring and has not yet acquired a mineral property containing reserves that are economically recoverable. In the event the Company completes an acquisition, the recoverability of amounts capitalized for mineral properties is dependent upon the discovery of sufficient economically recoverable ore reserves, confirmation of the Company's interest in the underlying mineral properties, the ability of the Company to arrange appropriate financing to complete the development of the mineral properties and upon future profitable production or proceeds from the sale of the mineral properties.

2. BASIS OF PRESENTATION

These unaudited interim consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles for interim financial statements. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, the accompanying financial information reflects all adjustments, consisting primarily of normal and recurring adjustments considered necessary for fair presentation of the results for the interim period. Operating results for the three months ended July 31, 2008 are not necessarily indicative of the results that may be expected for the year ending April 30, 2009. These interim consolidated financial statements follow the same accounting policies as set out in Note 2 to the audited consolidated financial statements of the Company for the year ended April 30, 2008. Accordingly, these financial statements should be read in conjunction with the 2008 annual audited consolidated financial statements and notes thereto. These accounting policies have been consistently applied in the preparation of these interim financial statements except that the Company has adopted the following CICA guidelines effective May 1, 2008:

Capital Disclosures

CICA Handbook Section 1535, Capital Disclosures, establishes standards for disclosing information about the Company's objectives, policies and processes for managing capital. This information is disclosed in note 10.

Financial Instruments Disclosures

CICA Handbook Section 3862, Financial Instruments – Disclosures and Handbook Section 3863, Financial Instruments - Presentation, require entities to provide disclosure of quantitative and qualitative information in their financial statements that enable users to evaluate (a) the significance of financial instruments for the company's financial position and performance; and (b) the nature and extent of risks arising from financial instruments to which the company is exposed during the period and at the balance sheet date, and management's objectives, policies and procedures for managing such risks. This information is disclosed in note 11.

COLOMBIAN MINES CORPORATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in Canadian dollars)
JULY 31, 2008

2. BASIS OF PRESENTATION (continued)

General Standards on Financial Statements

CICA Handbook Section 1400, General Standards on Financial Statements Presentation, has been amended to include requirements to assess and disclose a company's ability to continue as a going concern.

International Financial Reporting Standards ("IFRS")

In January 2006, the AcSB announced that accounting standards in Canada are to converge with IFRS. The AcSB has indicated that Canadian companies will need to begin reporting under IFRS by the first quarter of 2011 with appropriate comparative data from the prior year. Under IFRS, the primary audience is capital markets and as a result, there is significantly more disclosure required, specifically for quarterly reporting. Further, while IFRS uses a conceptual framework similar to Canadian GAAP, there are significant differences in accounting policy which must be addressed. While the Company has begun assessing the adoption of IFRS for 2011, the financial reporting impact of the transition to IFRS cannot be reasonably estimated at this time.

3. EQUIPMENT

	July 31, 2008			April 30, 2008		
	Cost	Accumulated Amortization	Net Book Value	Cost	Accumulated Amortization	Net Book Value
Equipment	\$ 412,634	\$ 96,670	\$ 315,964	\$ 430,884	\$ 80,007	\$ 350,877

4. MINERAL PROPERTIES AND EXPLORATION EXPENDITURES

Mineral Properties

The Company, through its subsidiary, Corporacion Minera de Colombia S.A., ("Minera Colombia") has acquired options on the Yarumalito, Guayabales and Gachala properties and a 50% interest in the Otu mining concession contract. In the three months ended July 31, 2008, Colombian made an option payment of \$40,759 on the Guayabales property. The Company has capitalized mineral property acquisition costs as follows:

	July 31, 2008	April 30, 2008
Yarumalito	\$ 407,744	\$ 407,744
Guayabales	252,903	212,144
Gachala	21,381	21,381
Otu	58,071	58,071
	\$ 740,099	\$ 699,340

COLOMBIAN MINES CORPORATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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4. MINERAL PROPERTIES AND EXPLORATION EXPENDITURES (continued)

Yarumalito

Under the terms of the Yarumalito option agreement, the following payments must be made in order to maintain the option in good standing.

Date	U.S. Dollars	Status	Canadian equivalent outstanding at July 31, 2008
On execution of agreement	\$ 40,000	Paid	\$ -
February 28, 2007	30,000	Paid	-
February 28, 2008	50,000	Paid	-
February 28, 2009	50,000	-	51,190
June 28, 2009	200,000	-	204,760
February 28, 2010	300,000	-	307,140
June 28, 2010	500,000	-	511,900
June 28, 2011	330,000	-	337,854
	\$ 1,500,000		\$ 1,412,844

Guayabales

On May 30, 2008 the Company and Comunidad Minera Guayabales agreed to amend the terms of the Guayabales option agreement with respect to the timing and amounts of the option payments. The revised payment schedule is as follows:

Date	Colombian Pesos	Status	Canadian equivalent outstanding at July 31, 2008
On execution of agreement	40,800,000	Paid	\$ -
May 31, 2007	40,800,000	Paid	-
June 30, 2007	40,800,000	Paid	-
November 30, 2007	144,000,000	Paid	-
February 29, 2008	144,000,000	Paid	-
May 30, 2008	36,000,000	Paid	-
July 30, 2008	36,000,000	Paid	-
September 30, 2008	36,000,000	-	20,273
November 30, 2008	36,000,000	-	20,273
December 30, 2008	30,000,000	-	16,894
January 30, 2009	30,000,000	-	16,894
February 28, 2009	30,000,000	-	16,894
March 30, 2009	30,000,000	-	16,894
April 30, 2009	30,000,000	-	16,894
May 30, 2009	30,000,000	-	16,894
June 30, 2009	30,000,000	-	16,894
July 30, 2009	30,000,000	-	16,894
January 30, 2010	240,000,000	-	135,153
July 30, 2010	360,000,000	-	202,729
January 30, 2011	360,000,000	-	202,729
July 30, 2011	720,000,000	-	405,458
January 30, 2012	720,000,000	-	405,458
	3,194,400,000		\$ 1,527,225

COLOMBIAN MINES CORPORATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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4. MINERAL PROPERTIES AND EXPLORATION EXPENDITURES (continued)

Exploration Expenditures

The Company incurred the following exploration expenditures (including amortization of \$21,695) during the three months ended July 31, 2008.

	Yarumalito	Guayabales	Other	Total
Administration	\$ 18,803	\$ 144,101	\$ 50,720	\$ 213,624
Assaying	8,023	20,504	22,209	50,736
Consultants	13,601	21,480	37,109	72,190
Drilling	-	196,464	-	196,464
Field costs	5,514	18,799	13,803	38,116
Legal	4,728	6,722	6,783	18,233
Salaries	13,098	35,401	43,353	91,852
Taxes	324	1,191	254	1,769
Travel	1,307	6,839	11,526	19,672
Vehicle costs	1,191	11,188	5,113	17,492
	\$ 66,589	\$ 462,689	\$ 190,870	\$ 720,148

The Company incurred the following exploration expenditures (including amortization of \$11,909) during the three months ended July 31, 2007.

	Yarumalito	Guayabales	Other	Total
Administration	\$ 27,380	\$ 41,377	\$ 57,544	\$ 126,301
Assays	10,667	-	6,156	16,823
Consultants	6,089	26,148	34,449	66,686
Field costs	10,753	16,597	4,480	31,830
Salaries	24,104	33,193	15,220	72,517
Legal	2,887	5,785	3,458	12,130
Taxes	499	22	34	555
Travel	3,127	8,872	3,993	15,992
Vehicle costs	808	2,241	1,130	4,179
	\$ 86,314	\$ 134,235	\$ 126,464	\$ 347,013

5. DATABASES

	July 31, 2008			April 30, 2008		
	Cost	Accumulated Amortization	Net Book Value	Cost	Accumulated Amortization	Net Book Value
Databases	\$ 162,103	\$ 130,583	\$ 31,520	\$ 162,103	\$ 117,074	\$ 45,029

COLOMBIAN MINES CORPORATION
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JULY 31, 2008

6. CAPITAL STOCK

Authorized

An unlimited number of common and preferred shares without par value.

Issued and outstanding common shares

	Number of Shares	Stated Amount	Contributed Surplus
Balance at April 30, 2008	17,565,761	\$ 7,154,495	\$ 2,121,230
May 2008 private placement	950,000	504,692	378,808
Balance at July 31, 2008	18,515,761	\$ 7,659,187	\$ 2,500,038

On May 27, 2008, the Company completed a non-brokered private placement of 950,000 units at a price of \$1.00 per unit for gross proceeds of \$950,000. Each unit consists of one common share and one non-transferable common share purchase warrant ("Warrant"). Each Warrant entitles the holder to purchase one additional common share until May 27, 2010 at a purchase price of \$1.20 per share. All common shares and non-transferable Warrants issued pursuant to the Company's private placement are subject to a regulatory hold period expiring September 28, 2008. A finder's fee of \$66,500 was paid in connection with the placement. The warrants were valued at 42.9 cents each using a Black-Scholes option pricing model with the following assumptions: an expected life of two years; a risk-free interest rate of 3.02%; an expected dividend yield of 0%; and an expected volatility of 87%. The finders' fees were allocated pro-rata to the common shares and the warrants based on their respective values.

Warrants

As at July 31, 2008, the details of outstanding share purchase warrants were as follows:

	Number of Warrants	Exercise Price	Expiry Date
Class A	520,000	\$ 1.00	October 30, 2008
Class B	1,500,000	1.00	April 18, 2009
Finders' warrants – Oct./07 Private Placement	111,200	1.00	October 18, 2008
Class C	1,400,000	1.00	May 27, 2009
Finders' warrants – Nov./07 Private Placement	112,000	1.00	November 27, 2008
May 27/08 Private Placement	950,000	1.20	May 27, 2010
	4,593,200		

7. SEGMENTED INFORMATION

The Company operates in a single business segment, mineral exploration. The Company is currently operating in only one geographic area which is Colombia.

8. SUPPLEMENTARY CASH FLOW INFORMATION

For the three months ended July 31, 2008, Colombian received cash for interest income of \$16,068 (2007 - \$6,149).

COLOMBIAN MINES CORPORATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in Canadian dollars)
JULY 31, 2008

9. COMMITMENTS

Colombian has signed a drill contract in Colombia for a minimum of approximately US\$1,192,500. At July 31, 2008 the remaining commitment was approximately US\$775,000. The Company also has two one-year lease agreements in Colombia for office space and field operations. Both leases run from March 1, 2008 to February 28, 2009. The total outstanding commitment on these leases at July 31, 2008 was \$32,800.

10. 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. The Company's business model is to enter joint venture agreements on certain properties which will enable it to conserve capital and to reduce risk. In the management of capital, the Company includes the components of shareholders' equity as well as cash. The Company estimates exploration expenditures to ensure that there is sufficient capital on hand to meet ongoing obligations. The Company's investment policy is to invest its cash in 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 fund its exploration programs and to cover its administrative costs for the next twelve months and accordingly these financial statements have been prepared on a going-concern basis.

11. MANAGEMENT OF FINANCIAL RISK

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

(a) 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 companies 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 July 31, 2008, the Company is exposed to currency risk through the following assets and liabilities denominated in Colombian pesos:

	Colombian Pesos
Cash and cash equivalents	804,252,000
Receivables	380,005,900
Accounts payable and accrued liabilities	(138,437,600)
Net exposure	1,045,820,300

Based on the above net exposures as at July 31, 2008, and assuming that all other variables remain constant, a 1% change in the value of the Canadian dollar against the Colombian peso would result in an increase / decrease of approximately \$6,000 in the loss from operations. The Colombian peso exchange rate at July 31, 2008 was 1,776 Colombian pesos to the Canadian dollar.

COLOMBIAN MINES CORPORATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in Canadian dollars)
JULY 31, 2008

11. MANAGEMENT OF FINANCIAL RISK (continued)

(b) Credit Risk

The Company's cash and cash equivalents are mainly held through a large Canadian financial institution and at July 31, 2008 are mainly cash in high interest bearing accounts and accordingly credit risk is minimized. The Company's receivables are mainly expenditure recoveries from third parties.

(c) 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 10.

(d) Interest Rate Risk

Interest rate risk is the risk that the fair value of 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 interest bearing accounts and therefore there is currently minimal interest rate risk.