CUORO RESOURCES CORP.

(formerly Blue Cove Capital Corp.)

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED
NOVEMBER 30, 2011 AND 2010

INDEPENDENT AUDITORS' REPORT

To the Shareholders of
CuOro Resources Corp.
(formerly Blue Cove Capital Corp.)

We have audited the accompanying consolidated financial statements of CuOro Resources Corp. (formerly Blue Cove Capital Corp.) which comprise the consolidated balance sheets as at November 30, 2011 and 2010 and the consolidated statements of loss, comprehensive loss and deficit and cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian generally accepted accounting principles, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of CuOro Resources Corp. (formerly Blue Cove Capital Corp.) as at November 30, 2011 and 2010 and the results of its operations and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

"DAVIDSON & COMPANY LLP"

Vancouver, Canada

Chartered Accountants

March 27, 2012

NEXIA INTERNATIONAL

CuOro Resources Corp.

(formerly Blue Cove Capital Corp.)

CONSOLIDATED BALANCE SHEETS

AS AT NOVEMBER 30

	2011 $	2010 $
A S S E T S		
CURRENT ASSETS		
Cash	3,531,719	801,923
Short-term investments (Note 3)	14,659,833	-
Amounts receivable (Note 4)	172,423	29,769
Prepaids	57,419	3,019
	18,421,394	834,711
ADVANCES TO SUPPLIERS	105,130	-
EQUIPMENT (Note 5)	374,472	-
MINERAL RESOURCE INTERESTS (Note 6)	3,505,935	-
	22,406,931	834,711
L I A B I L I T I E S		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	447,398	270,483
S H A R E H O L D E R S' E Q U I T Y		
SHARE CAPITAL (Note 7)	23,872,067	971,271
CONTRIBUTED SURPLUS (Note 9)	3,378,375	574,429
DEFICIT	(5,290,909)	(981,472)
	21,959,533	564,228
	22,406,931	834,711

NATURE OF OPERATIONS AND NAME CHANGE (Note 1)

SUBSEQUENT EVENTS (Note 16)

APPROVED BY THE DIRECTORS

"Robert Sedgemore" , Director

"Nick DeMare" , Director

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

CUORO RESOURCES CORP.
(formerly Blue Cove Capital Corp.)

CONSOLIDATED STATEMENTS OF LOSS, COMPREHENSIVE LOSS AND DEFICIT
FOR THE YEARS ENDED NOVEMBER 30

	2011 $	2010 $
EXPENSES		
Accounting and administration	74,436	1,690
Advertising	55,665	-
Amortization	30,578	-
Audit fees	28,050	11,700
Directors' fees	41,000	-
Due diligence	136,766	57,428
General and administrative expenses	256,908	10,598
Investment conferences	123,507	-
Investor relations	48,000	-
IVA tax	25,504	-
Legal fees	259,856	19,407
Professional fees	145,757	-
Qualifying transaction expense (Note 1)	-	67,633
Recruitment	10,000	-
Regulatory fees	28,896	8,849
Relocation costs	60,556	-
Rent	126,932	-
Salary and compensation	304,728	-
Shareholder communications	102,821	1,670
Stock-based compensation (Note 8)	2,044,749	485,302
Transfer agent	9,867	5,377
Travel	478,049	5,204
	4,392,625	674,858
LOSS BEFORE OTHER ITEMS	(4,392,625)	(674,858)
OTHER ITEMS		
Interest income	108,943	-
Foreign exchange loss	(25,755)	-
	83,188	-
NET LOSS AND COMPREHENSIVE LOSS FOR THE YEAR	(4,309,437)	(674,858)
DEFICIT - BEGINNING OF YEAR	(981,472)	(306,614)
DEFICIT - END OF YEAR	(5,290,909)	(981,472)
LOSS PER COMMON SHARE - BASIC AND DILUTED	(0.20)	(0.12)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING - BASIC AND DILUTED	21,558,752	5,709,925

CUORO RESOURCES CORP.
(formerly Blue Cove Capital Corp.)

CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED NOVEMBER 30

	2011 $	2010 $
CASH PROVIDED FROM (USED FOR)		
OPERATING ACTIVITIES		
Loss for the year	(4,309,437)	(674,858)
Adjustments for items not involving cash		
Interest receivable	(89,983)	-
Stock-based compensation	2,044,749	485,302
Amortization of equipment	30,578	-
Increase in amounts receivable	(142,654)	(29,769)
Increase in prepaids	(54,400)	(3,019)
Decrease (increase) in accounts payable and accrued liabilities	(44,745)	164,105
	(2,565,892)	(58,239)
INVESTING ACTIVITIES		
Short-term investments	(14,569,850)	-
Purchase of equipment	(405,050)	-
Mineral resource interest additions	(3,200,525)	-
Advances to suppliers	(105,130)	-
	(18,280,555)	-
FINANCING ACTIVITIES		
Issuance of common shares	25,052,716	831,966
Share issue costs	(1,476,473)	(29,473)
	23,576,243	802,493
INCREASE IN CASH	2,729,796	744,254
CASH - BEGINNING OF YEAR	801,923	57,669
CASH - END OF YEAR	3,531,719	801,923

SUPPLEMENTAL CASH FLOW INFORMATION - See Note 15.

1. NATURE OF OPERATIONS AND NAME CHANGE

CuOro Resources Corp. (the "Company") was incorporated as Blue Cove Capital Corp. under the provisions of the B.C. Business Company Act on October 23, 2007. The Company became a publicly listed company pursuant to an initial public offering of its shares on March 31, 2008 and was listed on the TSX Venture Exchange ("TSXV") on April 1, 2008 as a Capital Pool Company ("CPC").

In October 2009 the Company entered into an agreement to acquire an interest in certain mineral exploration properties located in the Battle Mountain and Cortez Trends of North Central Nevada. Closing of the agreement was to occur on or before February 19, 2010. The Company was unable to obtain the necessary financing to complete the transaction by February 19, 2010 and, in March 2010, the vendor terminated the agreement. All costs relating to the transaction were recorded as qualifying transaction expenses.

In December 2010 the Company entered into agreements to acquire 100% interests in mineral projects located in Colombia, as described in Note 6. The transactions contemplated in the option agreement on the Santa Elena Project (Note 6(a)) and the $10 million of equity financings (Note 7(a)) constituted the Company's Qualifying Transaction. On April 18, 2011 the Company effected its name change from "Blue Cove Capital Corp." to "CuOro Resources Corp.". On April 20, 2011 the Company closed on its Qualifying Transaction. Effective April 25, 2011 the Company's listing was transferred to Tier 2 of the TSXV.

The Company is a junior resource company engaged in the acquisition and exploration of unproven mineral interests. As at November 30, 2011 the Company has not earned any production revenue, nor found proved reserves on any of its mineral interests.

The Company is in the process of exploring and evaluating its mineral resource interests. On the basis of information to date, it has not yet determined whether these mineral interests contain economically recoverable ore reserves. The underlying value of the mineral resource interests and related deferred costs is entirely dependent on the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete development and upon future profitable production. The amounts shown as incurred resource interests represent net costs to date and do not necessarily represent present or future values.

As at November 30, 2011 the Company had working capital of $17,973,996. Based on its current levels of operations management considers that the Company has adequate resources to maintain its existing mineral resource interests, core operations and planned exploration programs for the next twelve months. However, the Company recognizes that exploration expenditures may change with ongoing results and, as a result, it may be required to obtain additional financing. While the Company has been successful in securing financings in the past, there can be no assurance that it will be able to do so in the future.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The consolidated financial statements of the Company have been prepared by management in accordance with Canadian generally accepted accounting principles ("Canadian GAAP"). The preparation of the consolidated financial statements in conformity with Canadian GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates. The financial statements have, in management's opinion, been properly prepared using careful judgement with reasonable limits of materiality and within the framework of the significant accounting policies summarized below.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of Consolidation

These consolidated financial statements include the accounts of the Company and its wholly-owned Colombian subsidiary, Minera CuOro S.A.S., which was incorporated on March 15, 2011. Inter-company balances and transactions are eliminated on consolidation.

Use of Estimates

The preparation of financial statements in conformity with Canadian GAAP requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the period. Significant estimates made by management include amortization, the provision for income taxes, composition of future income tax assets and liabilities, asset retirement obligations, valuations of mineral resource interests and stock-based compensation. Actual results may differ from those estimates.

Cash Equivalents

Cash equivalents include short-term deposits maturing within 90 days of the original date of acquisition. As at November 30, 2011 the Company did not hold any cash equivalents.

Mineral Resource Interests

Once a license or right to explore an area has been secured, expenditures on exploration and evaluation activities are capitalized to unproven mineral interests.

Unproven mineral interests costs and exploration, development and field support costs directly relating to mineral interests are deferred until the mineral interest to which they relate is placed into production, sold or abandoned. The deferred costs will be amortized over the life of the orebody following commencement of production or written off if the mineral interest is sold or abandoned. Administration costs and other exploration costs that do not relate to any specific mineral interest are expensed as incurred.

On a periodic basis, management reviews the carrying values of deferred unproven mineral interest acquisition and exploration expenditures with a view to assessing whether there has been any impairment in value. Management takes into consideration various information including, but not limited to, results of exploration activities conducted to date, estimated future metal prices, and reports and opinions of outside geologists, mine engineers and consultants. When it is determined that a project or mineral interest will be abandoned or its carrying value has been impaired, a provision is made for any expected loss on the project or mineral interest.

Although the Company has taken steps to verify title to the unproven mineral interests, according to the usual industry standards for the stage of exploration of such mineral interests, these procedures do not guarantee the Company's title. Such mineral interests may be subject to prior agreements or transfers and title may be affected by undetected defects.

From time to time the Company acquires or disposes of mineral interests pursuant to the terms of option agreements. Options are exercisable entirely at the discretion of the optionee and, accordingly, are recorded as mineral interest costs or recoveries when the payments are made or received.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

The Company also accounts for foreign value added taxes which relate to deferred mineral resource expenditures as part of deferred costs. The recovery of these taxes will commence on the beginning of foreign commercial operations. Should these amounts be recovered they would be treated as a reduction in the carrying costs of mineral property interests.

Equipment

Equipment is recorded at cost less accumulated amortization. Amortization is recorded on a straight-line basis over the estimated useful life at a rate of: 10% for machinery and equipment; 10% for office equipment; 20% for computers and telephone equipment; and 20% for vehicles.

Asset Retirement Obligations

The fair value of a liability for an asset retirement obligation is recognized when a reasonable estimate of fair value can be made. The asset retirement obligation is recorded as a liability with a corresponding increase to the carrying amount of the related long-lived asset. Subsequently, the asset retirement cost is charged to earnings using a systematic and rational method and is adjusted to reflect period-to-period changes in the liability resulting from the passage of time and revisions to either the timing or the amount of the original estimate of undiscounted cash flow. The Company has determined that it does not have any asset retirement obligations at November 30, 2011.

Impairment of Long-Lived Assets

Long-lived assets are assessed for impairment when events and circumstances warrant. The carrying value of a long-lived asset is impaired when the carrying amount exceeds the estimated undiscounted net cash flow from use and fair value. In that event the amount by which the carrying value of an impaired long-lived asset exceeds its fair value is charged to earnings. Fair value is generally determined using a discounted cash flow analysis.

Translation of Foreign Currencies

As the Company's foreign subsidiary has been dependent on funding from its parent, the operation is considered to be integrated. As a result, the temporal method of translating the accounts of the foreign subsidiary has been adopted. Under this method, the Company translates monetary items at the rate of exchange in effect at the balance sheet date. Non-monetary items are translated at average rates in effect during the period in which they were earned or incurred. Revenues and expenses are translated at average rates in effect during the period except for depreciation and amortization which are translated at historical rates. Gains and losses resulting from the fluctuation of foreign exchange rates have been included in the determination of income.

Stock-Based Compensation

Stock-based compensation is accounted for at fair value as determined by the Black-Scholes option pricing model using amounts that are believed to approximate the volatility of the trading price of the Company's stock, the expected lives of awards of stock-based compensation, the fair value of the Company's stock and the risk-free interest rate. The estimated fair values of stock-based compensation are charged to expense as awards vest, with offsetting amounts recognized as contributed surplus.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Income Taxes

Future income tax assets and liabilities are determined based on differences between financial reporting and tax bases of assets and liabilities, measured using substantially enacted tax rates and laws that will be in effect when the differences are expected to reverse. The effect on future income tax assets and liabilities of a change in income tax rates is included in the period that includes the enactment date. Future income tax assets are recognized to the extent that they are considered more likely than not to be realized.

Equity Transactions

The Company issues units in private placements. The Company applies the residual approach to calculate the fair value of the units, which comprise of common shares and warrants. Under this approach the common shares are valued first and the difference, if any, between the gross proceeds and the fair value of the common shares is assigned to the warrants.

Income (Loss) Per Share

Basic income (loss) per share is calculated using the weighted average number of common shares outstanding during the period. Diluted income (loss) per share is calculated in accordance with the treasury stock method which assumes that proceeds received from the exercise of stock options and warrants would be used to repurchase common shares at the prevailing market rate. Under the treasury stock method, the basic and diluted loss per share are the same, as the effect of common shares issuable upon the exercise of warrants and stock options of the Company would be anti-dilutive.

Financial Instruments

Under Section 3855, *Financial Instruments - Recognition and Measurement,* all financial instruments are classified into one of the following five categories: held-for-trading, held-to-maturity investments, loans and receivables, available-for-sale assets or other financial liabilities. All financial instruments, including derivatives, are included on the balance sheet and are measured at fair market value upon inception with the exception of certain related party transactions. Subsequent measurement and recognition of change in the fair value of financial instruments depends on their initial classification. Held-for-trading financial investments are measured at fair value and all gains and losses are included in operations in the period in which they arise. Available-for-sale financial instruments are measured at fair value with revaluation gains and losses included in other comprehensive income until the asset is removed from the balance sheet. Loans and receivables, held-to-maturity investments and other financial liabilities are measured at amortized cost using the effective interest method. Gains and losses upon inception, derecognition, impairment write-downs and foreign exchange translation adjustments are recognized immediately. Transaction costs related to financing will be expensed in the period incurred.

The Company has designated its cash and short-term investments as held-for-trading, which are measured at fair value. Amounts receivable are classified as loans and receivables, which are measured at amortized cost. Accounts payable and accrued liabilities are classified as other financial liabilities, which are measured at amortized cost.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Section 3862, *Financial Instruments - Disclosures*, requires disclosures about the inputs to fair value measurements, including their classification within a hierarchy that prioritizes the inputs to fair value measurement. The three levels of the fair value hierarchy are:

Level 1 - unadjusted quoted prices in active markets for identical assets or liabilities;
Level 2 - inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
Level 3 - inputs that are not based on observable market data.

The principles in this section complement the principles for recognizing, measuring and presenting financial assets and financial liabilities in Section 3855, *Financial Instruments - Recognition and Measurement*, Section 3863, *Financial Instruments - Presentation*, and Section 3865, *Hedges*. Disclosure requirements pertaining to Section 3862 are contained in Note 13.

Section 3863, *Financial Instruments - Presentation*, enhances financial statement users' understanding of the significance of financial instruments to an entity's financial position, performance and cash flows. This section establishes standards for presentation of financial instruments and non-financial derivatives. It deals with the classification of financial instruments, from the perspective of the issuer, between liabilities and equity, the classification of related interest, dividends, losses and gains, and the circumstances in which financial assets and financial liabilities are offset.

Comprehensive Income

Section 1530, *Comprehensive Income*, provides standards for the reporting and presentation of comprehensive income, which is defined as the change in equity, from transactions and other events and circumstances from non-owner sources. Other comprehensive income refers to items recognized in comprehensive income but that are excluded from net income calculated in accordance with generally accepted accounting principles. A statement of comprehensive income has not been presented as no components of comprehensive income have been identified and therefore have not affected the current or comparative period balances on the consolidated financial statements.

Capital Disclosures

Section 1535, *Capital Disclosures*, establishes standards for disclosing information about an entity's capital and how it is managed. Disclosure requirements pertaining to Section 1535 are contained in Note 14.

Future Accounting Policies

Business Combinations, Consolidated Financial Statements and Non-Controlling Interests

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

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

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

The Company does not expect the adoption of these accounting standards to have an impact on its consolidated financial statements.

3. SHORT-TERM INVESTMENTS

	2011 $	2010 $
Redeemable GICs		
Due April 18, 2012 at cost plus accrued interest at prime less 1.80% per annum	4,090,033	-
Due May 31, 2012 at cost plus accrued interest at prime less 1.80% per annum	10,059,836	-
Due October 18, 2012 at cost plus accrued interest at 0.2% per annum	509,964	-
	14,659,833	-

All of the GICs are redeemable after 30 days from the date of purchase.

4. AMOUNTS RECEIVABLE

	2011 $	2010 $
Harmonized sales tax receivable	138,332	22,098
Other	34,091	7,671
	172,423	29,769

5. EQUIPMENT

	November 30, 2011		
	Costs $	Accumulated Amortization $	Net Book Value $
Machinery and equipment	38,412	1,921	36,491
Office equipment	77,143	3,372	73,771
Computers and telephone equipment	62,695	6,067	56,628
Vehicles	226,800	19,218	207,582
	405,050	30,578	374,472

6. MINERAL RESOURCE INTERESTS

	November 30, 2011		
	Acquisition Costs $	Deferred Exploration Costs $ *(See Schedule 1)*	Total Costs $
Santa Elena Project (a)	720,293	2,413,845	3,134,138
Barranco Project (b)	370,803	994	371,797
	1,091,096	2,414,839	3,505,935

(a) By agreements dated December 22, 2010 and February 16, 2011, and amended March 31, 2011, the Company was granted an option (the "Santa Elena Option") to acquire a 100% undivided interest in two mining concessions (the "Santa Elena Project") located in the Antioquia District, Colombia. To earn the interest in the Santa Elena Project the Company has paid a total of US $525,000 and is required to pay a further US $2,500,000 and conduct US $3,000,000 exploration expenditures, as follows:

Date	Cash Payments US $	Work Expenditures US $
April 20, 2012	-	500,000
June 20, 2012	500,000	-
April 20, 2013	-	1,000,000
June 20, 2013	1,000,000	-
April 20, 2014	-	1,500,000
June 20, 2014	1,000,000	-
	2,500,000	3,000,000

The Company will also pay US $1,000,000 if the Santa Elena Project contains a measured resource of at least 300,000 tonnes of copper. The vendor will also retain a net smelter return royalty of between 2.0% - 3.0%.

The Company has agreed to issue up to 300,000 common shares to an arm's length party as a finder's fee in connection with the Santa Elena Option. The shares are to be issued in stages as follows: 83,750 common shares on closing of the Santa Elena Option (issued); 75,000 common shares on April 20, 2012; and 141,250 common shares on April 20, 2013 while the Santa Elena Option is in effect.

6. MINERAL RESOURCE INTERESTS (continued)

The Company has entered into annual surface rights agreements under which it has agreed to pay approximately $120,000 per annum.

(b) On December 9, 2010, as amended, the Company entered into a letter of intent (the "Barranco LOI") whereby the vendor agreed to grant an option to the Company to acquire a 100% interest in three mineral concessions located in the Department of Sur de Bolivar, Colombia. Under the terms of the Barranco LOI and subsequent amendments the Company paid a total of $49,127 (US $50,000). The Company and the vendor subsequently renegotiated the terms of the Barranco LOI and, effective August 16, 2011, entered into a formal option agreement (the "Barranco Option") to acquire a 100% interest in one mineral concession (the "Barranco Project"). To earn its interest the Company has paid $44,277 (US $44,500) for surface rights fees and is required to conduct US $1,000,000 of expenditures over two years and make option payments totalling US $800,000 (US $200,000 paid) over three years.

The Company will also pay the vendor additional payments of US $4 per ounce of gold in an indicated category as reported in a NI 43-101 report, with the first payment due when the Company has defined a resource of 500,000 indicated ounces, then a subsequent payment of US $4 per ounce for the next 500,000 ounces and then a payment of US $4 per ounce for each additional 1 million ounces.

The Company paid an initial finder's fee of US $75,000 to arm's length parties in connection with the Barranco Option. In addition the Company has agreed to pay a further US $37,500 on August 16, 2012 and US $10,000 on August 16, 2013 while the Barranco Option is in effect.

7. SHARE CAPITAL

Authorized: unlimited common shares without par value

Issued common shares:

	2011		2010	
	Shares	Amount $	Shares	Amount $
Balance, beginning of year	11,803,159	971,271	4,200,000	231,644
For cash				
Short-form offering	2,000,000	2,000,000	-	-
Private placements	8,810,000	9,620,000	8,639,324	831,966
Special warrants offering	6,690,000	13,380,000	-	-
Stock options exercised	92,000	30,200	-	-
Warrants exercised	23,912	22,516	-	-
For corporate finance fees	125,000	125,000	-	-
For finder's fees incurred on private placements	676,680	676,680	63,835	15,959
For finder's fee incurred on Santa Elena Option (Note 6(a))	83,750	83,750	-	-
Reallocation from contributed surplus on exercise of stock options	-	22,544	-	-
Reallocation from contributed surplus on exercise of finder's warrants	-	11,015	-	-
Cancellation of common shares	-	-	(1,100,000)	(55,000)
	18,501,342	25,971,704	7,603,159	792,925
Less share issue costs	-	(3,070,908)	-	(53,298)
	18,501,342	22,900,796	7,603,159	739,627
Balance, end of year	30,304,501	23,872,067	11,803,159	971,271

(a) On April 20, 2011 the Company completed equity financings totaling $10 million as follows:

(i) a short form offering document (the "Short Form Offering") and a brokered private placement (the "Brokered Private Placement" and, together with the Short Form Offering, the "Brokered Financings"). Pursuant to the Short Form Offering, the Company issued 2,000,000 common shares (the "Shares") at a price of $1.00 per Share, for proceeds of $2,000,000. Pursuant to the Brokered Private Placement, the Company issued 3,500,000 units (the "Units") at a price of $1.00 per Unit for proceeds of $3,500,000. Each Unit consisted of one common share and one-half of one common share purchase warrant, with each whole warrant (a "Warrant") entitling the holder to acquire one common share at a price of $1.30 per share on or before April 20, 2013.

7. SHARE CAPITAL (continued)

The agent received a commission of 7% of the aggregate proceeds from the sale of Shares and Units sold pursuant to the Brokered Financings. The agent elected to receive a portion of the commission in units (the "Agent's Commission Units"), being 377,500 Agent's Commission Units, at an ascribed value of $377,500, and a portion in cash, being $7,500. Each Agent's Commission Unit comprised one common share and one-half of one common share purchase warrant with each whole warrant (the "Agent's Commission Warrant") entitling the agent to acquire one common share at a price of $1.30 per share on or before April 20, 2013. The Company also issued to the agent 385,000 common share purchase warrants (the "Agent's Warrants"), with each Agent's Warrant entitling the agent to acquire one common share (the "Agent's Warrant Shares") at a price of $1.00 per share on or before April 20, 2013. An additional 125,000 Units (the "Corporate Finance Fee Units") were issued to the agent at an ascribed value of $125,000. Each Corporate Finance Fee Unit consisted of one common share and one-half of one common share purchase warrant (a "Corporate Finance Fee Warrant"), with each Corporate Finance Fee Warrant entitling the holder to acquire one common share at a price of $1.30 per share on or before April 20, 2013. The fair value of the Agent's Warrants has been estimated using the Black-Scholes option pricing model. The assumptions used were: dividend yield - 0%; expected volatility - 90.88%; risk-free interest rate of 1.84%; and expected life of two years. The value assigned to Agent's Warrants was $188,311.

(ii) a non-brokered private placement (the "Non-Brokered Private Placement"). Pursuant to the Non-Brokered Private Placement, the Company issued 4,500,000 Units at a price of $1.00 per Unit, for proceeds of $4,500,000. In connection with the Non-Brokered Private Placement, the Company paid certain finders ("Finders") a commission of 299,180 units (the "Finders' Units"), at an ascribed value of $299,180. Each Finders' Unit comprised one common share and one-half of one common share purchase warrant with each whole warrant (the "Finders' Commission Warrant") entitling the Finder to acquire one common share at a price of $1.30 per share on or before April 20, 2013. The Company also issued to the Finders 299,180 common share purchase warrants (the "Finders' Warrants"), with each Finders' Warrant entitling the Finders to acquire one common share at a price of $1.00 per share on or before April 20, 2013. The fair value of the Finders' Warrants has been estimated using the Black-Scholes option pricing model. The assumptions used were: dividend yield - 0%; expected volatility - 90.88%; risk-free interest rate of 1.84%; and expected life of two years. The value assigned to the Finders' Warrants was $146,335.

The Company also incurred a total of $226,081 for sponsorship fee, legal costs, filing fees and other costs.

(b) On May 31, 2011 the Company completed a private placement of 810,000 unit for gross proceeds of $1,620,000. Each unit consisted of one common share of the Company and one-half of one common share purchase warrant with each whole warrant entitling the holder to acquire one common share at a price of $2.50 per share on or before May 31, 2013 with the same acceleration provision noted in 7(c). The Company paid a finder's fee of $113,400.

(c) Effective May 31, 2011 the Company completed an offering of 6,690,000 special warrants (the "Special Warrants") at a price of $2.00 per Special Warrant (the "Special Warrant Offering") for gross proceeds of $13,380,000. Each Special Warrant entitled the holder to acquire, for no additional consideration, one unit in the Company on the exercise or deemed exercise of the Special Warrant.

7. SHARE CAPITAL (continued)

The underwriters received a $936,600 cash fee on the sale of the Special Warrants. In addition the Company issued to the underwriters 468,300 special warrants (the "Underwriters' Special Warrants") exercisable to acquire, for no additional consideration, 468,300 underwriters' warrants of the Company (the "Underwriters' Warrants") with each Underwriters' Warrant exercisable to acquire one unit of the Company at $2.00 per unit on or before May 31, 2013. The fair value of the Underwriters' Special Warrants has been estimated using the Black-Scholes option pricing model. The assumptions used were: dividend yield - 0%; expected volatility - 90.88%; risk-free interest rate of 1.84%; and expected life of two years. The value assigned to the Underwriters' Special Warrants was $458,109.

The Company subsequently filed its final short form prospectus (the "Prospectus") dated June 30, 2011 to qualify the distribution of the 6,690,000 units upon the deemed exercise of the 6,690,000 Special Warrants. On July 6, 2011 (the "Qualification Date") the Company received a receipt for its Prospectus and the Special Warrants were deemed to be exercised. Each unit consisted of one common share and one-half of one common share purchase warrant. Each whole warrant is exercisable to acquire one common share, at a price of $2.50 per share on or before May 31, 2013. The Prospectus also qualified the distribution of the Underwriters' Warrants upon the deemed exercise of the Underwriters' Special Warrants, which were also deemed to be exercised on the Qualification Date.

In the event that, at any time after October 1, 2011 the volume weighted average trading price of the Company's common shares on the TSXV, for a period of 20 consecutive trading days, exceeds $4.00, the Company may, within five days after such an event, provide notice of early expiry and thereafter, the warrants will expire on the date which is 30 days after the date of such notice.

The Company has incurred a total of $192,891 for legal, audit and filing costs associated with the Special Warrant Offering and the Prospectus.

(d) During fiscal 2010 the Company completed private placements as follows:

(i) 6,639,324 common shares, at a price of $0.05 per common share, for total gross proceeds of $331,966. Directors and or officers of the Company purchased 575,000 common shares of this private placement; and

(ii) 2,000,000 common shares, at a price of $0.25 per common share, for total gross proceeds of $500,000.

The Company paid a finder's fee by issuing 63,835 common shares at a price of $0.25 per share and issuing finder's warrants entitling the holder to purchase 63,835 common shares at an exercise price of $0.25 per share for a period of two years. The fair value of the finder's warrants has been estimated using the Black-Scholes option pricing model. The assumptions used were: dividend yield - 0%; expected volatility - 92.26%; risk-free interest rate of 1.38%; and expected life of two years. The value assigned to the finder's warrants was $7,866.

The Company incurred a total of $29,473 for legal and other expenses related to these private placements.

7. SHARE CAPITAL (continued)

(e) A summary of the number of common shares reserved pursuant to the Company's outstanding warrants at November 30, 2011 and 2010 and the changes for the years ended on those dates is as follows:

	2011		2010	
	Number	Weighted Average Exercise Price $	Number	Weighted Average Exercise Price $
Balance, beginning of year	63,835	0.25	200,000	0.10
Granted	8,835,020	1.79	63,835	0.25
Exercised	(23,912)	0.94	-	-
Expired	-	-	(200,000)	0.10
Balance, end of year	8,874,943	1.78	63,835	0.25

Common shares reserved pursuant to warrants outstanding at November 30, 2011, are as follows:

Number	Exercise Price $	Expiry Date
61,973	0.25	November 17, 2012
4,400,840	1.30	April 20, 2013
662,130	1.00	April 20, 2013
3,750,000	2.50	May 31, 2013
8,874,943		

In addition, as at November 30, 2011, 468,300 Underwriters' Warrants remained outstanding.

(f) During fiscal 2010, in conjunction with the change in the Company's listing status and in accordance with stipulated policies and procedures, seed shareholders agreed to the cancellation of 1,100,000 common shares held in escrow. Accordingly, the original $55,000 assigned value attributable to these common shares have been transferred from share capital to contributed surplus. As at November 30, 2011, 1,170,000 common shares remain held in escrow.

(g) See also Note 16.

8. STOCK OPTIONS AND STOCK-BASED COMPENSATION

The Company has established a rolling stock option plan (the "Plan"), in which the maximum number of common shares which can be reserved for issuance under the Plan is 10% of the issued and outstanding shares of the Company. The minimum exercise price of the options is set at the Company's closing share price on the day before the grant date, less allowable discounts in accordance with the policies of the TSXV. The options can be granted for a maximum term of ten years. The vesting provisions are determined by the Board of Directors and, unless otherwise stated, fully vest when granted.

8. STOCK OPTIONS AND STOCK-BASED COMPENSATION (continued)

During fiscal 2011 the Company granted 1,885,000 stock options (2010 - 1,171,752 stock options) to its employees, directors and consultants and recorded compensation expense of $2,044,749 (2010 - $481,550). In addition during fiscal 2010 the Company recorded stock-based compensation of $3,752 on the vesting of stock options which were previously granted.

The fair value of stock options granted during fiscal 2011 and 2010 is estimated using the Black-Scholes option pricing model using the following assumptions:

	2011	2010
Risk-free interest rate	1.27% - 2.74%	1.57%
Estimated volatility	66.07% - 90.88%	92.38%
Expected life	3 - 5 years	3 years
Expected dividend yield	0%	0%
Expected forfeiture rate	0%	0%

The weighted average fair value of all stock options granted during fiscal 2011 was $1.21 (2010 - $0.41) per option.

Option-pricing models require the use of estimates and assumptions including the expected volatility. Changes in the underlying assumptions can materially affect the fair value estimates and, therefore, existing models do not necessarily provide reliable measures of the fair value of the Company's stock options.

A summary of the Company's stock options at November 30, 2011 and 2010 and the changes for the years ended on those dates, is presented below:

	2011		2010	
	Options Outstanding	Weighted Average Exercise Price $	Options Outstanding	Weighted Average Exercise Price $
Balance, beginning of year	1,213,752	0.51	462,000	0.10
Granted	1,885,000	1.53	1,171,752	0.52
Exercised	(92,000)	0.33	-	-
Expired	-	-	(420,000)	0.10
Forfeited	(100,000)	2.00		
Balance, end of year	2,906,752	1.12	1,213,752	0.51

8. STOCK OPTIONS AND STOCK-BASED COMPENSATION (continued)

The following table summarizes information about the stock options outstanding and exercisable at November 30, 2011:

Number Outstanding	Number Exercisable	Exercise Price $	Expiry Date
1,121,752	1,121,752	0.52	November 16, 2013
60,000	60,000	2.00	July 7, 2014
50,000	50,000	2.10	July 8, 2014
100,000	100,000	2.00	July 21, 2014
885,000	810,000	1.00	April 20, 2016
665,000	665,000	2.00	August 24, 2016
25,000	-	1.50	November 23, 2016
2,906,752	2,806,752		

See also Note 16.

9. CONTRIBUTED SURPLUS

The Company's contributed surplus at November 30, 2011 and 2010 and the changes for the years ended on those dates is presented below:

	2011 $	2010 $
Balance, beginning of year	574,429	26,261
Cancellation of common shares	-	55,000
Stock-based compensation on stock options	2,044,749	485,302
Stock-based compensation on warrants	792,756	7,866
Reallocation on stock options exercised	(22,544)	-
Reallocation on warrants exercised	(11,015)	-
Balance, end of year	3,378,375	574,429

10. RELATED PARTY TRANSACTIONS

A number of key management personnel, or their related parties, hold positions in other entities that result in them having control or significant influence over the financial or operating policies of those entities. Certain of these entities transacted with the Company during the reporting period. The transactions with related parties were in the normal course of operations and were measured at the exchange value, which represented the amount of consideration established and agreed to by the parties.

10. RELATED PARTY TRANSACTIONS (continued)

(a) *Transactions with Key Management Personnel*

(i) The following amounts were incurred with respect to the Company's President and Chief Executive Officer and the spouse of the Company's President:

	2011 $	2010 $
Salary and compensation	283,306	-
Secretarial fees	18,527	-
Rent for apartment	31,678	-
Relocation expenses	27,600	-
Share-based compensation	251,781	241,221
	612,892	241,221

(ii) The following amounts were incurred with respect to the Company's Chief Financial Officer:

	2011 $	2010 $
Directors fees	17,500	-
Accounting and administration	53,700	1,690
Share-based compensation	253,658	41,096
	324,858	42,786

As at November 30, 2011, $10,100 (2010 - $1,690) remained unpaid and has been included in accounts payable and accrued liabilities.

(b) *Transactions with Other Related Parties*

The following amounts were incurred with respect to former and current officers and directors of the Company:

	2011 $	2010 $
Legal	-	43,860
Directors fees	23,500	-
Professional fees	35,000	-
Share-based compensation	879,009	102,741
	937,509	146,601

As at November 30, 2011, $3,500 (2010 - $166,052) remained unpaid and has been included in accounts payable and accrued liabilities.

11. INCOME TAXES

Future income tax assets and liabilities of the Company as at November 30, 2011 and 2010 are as follows:

	2011 $	2010 $
Future income tax assets (liabilities)		
Loss carry forwards	637,000	126,800
Equipment	10,000	-
Mineral resource interests	(18,000)	-
Financing costs	303,000	-
Other	(28,000)	17,200
	904,000	144,000
Valuation allowance for future income tax assets	(904,000)	(144,000)
	-	-

The recovery of income taxes shown in the statements of loss, comprehensive loss and deficit differs from the amounts obtained by applying statutory rates to the loss before provision for income taxes as follows:

	2011 $	2010 $
Income tax rate reconciliation		
Combined federal and provincial income tax rate	26.67%	28.71%
Expected income tax recovery	1,149,000	193,800
Share issuance cost	394,000	6,000
Non-deductible expenditures	(651,000)	(139,300)
Foreign exchange and other	(159,000)	-
Effect of different income tax rates in Colombia and Canada	27,000	-
Unrecognized benefit of tax attributes	(760,000)	(60,500)
Actual income tax recovery	-	-

As of November 30, 2011 the Company has non-capital losses of approximately $2,519,000 (2010 - $507,000) and accumulated tax pools of approximately $1,214,000 (2010 - $69,000) carried forward for Canadian income tax purposes and are available to reduce taxable income of future years. The non-capital losses expire commencing in 2016 through 2031.

The Company also has non-capital losses of approximately $22,100 (2010 - $nil) for Colombian income tax purposes which are available for application against future taxable income. These non-capital losses can be carried forward indefinitely.

As it is more likely than not that the Company will not realize the benefit of the income tax losses and temporary timing differences, no current or future income tax recovery has been recorded by the Company.

12. SEGMENTED INFORMATION

The Company is involved in the exploration of resource properties in Colombia with corporate operations located in Canada. The Company is in the exploration stage and, accordingly, has no reportable segment revenues or operating results.

	November 30, 2011		
	Corporate Canada $	Mineral Operations Colombia $	Total $
Current assets	17,451,486	969,908	18,421,394
Advances to suppliers	-	105,130	105,130
Equipment	-	374,472	374,472
Mineral resource interests	-	3,505,935	3,505,935
	17,451,486	4,955,445	22,406,931

13. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Categories of Financial Assets and Financial Liabilities

Under Canadian GAAP financial instruments are classified into one of the following five categories: held for trading, held-to-maturity investments, loans and receivables, available-for-sale financial assets and other financial liabilities. The carrying values of the Company's financial instruments are classified into the following categories:

Financial Instrument	Category	2011 $	2010 $
Cash	Held-for-trading	3,531,719	801,923
Short-term investments	Held-for-trading	14,659,833	-
Amounts receivable	Loans and receivables	172,423	29,769
Accounts payable and accrued liabilities	Other liabilities	(447,398)	(270,483)

The recorded amounts for amounts receivable and accounts payable and accrued liabilities approximate their fair value due to their short-term nature. The fair value of cash and short-term investments under the fair value hierarchy is measured using Level 1 inputs.

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

Credit Risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash, short-term investments and amounts receivable. Management believes that the credit risk concentration with respect to financial instruments included in cash, short-term investments and amounts receivable is remote.

13. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

Liquidity Risk

Liquidity risk is the risk that the Company will not have the resources to meet its obligations as they fall due. The Company manages this risk by closely monitoring cash forecasts and managing resources to ensure that it will have sufficient liquidity to meet its obligations. All of the Company's liabilities are classified as current and are anticipated to mature within the next fiscal period. The Company intends to settle these with funds from its working capital and equity financings.

Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices. These fluctuations may be significant.

(a) 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 market interest rates. The Company is exposed to short term interest rates through the interest earned on cash balances. The Company has significant cash balances. From time to time, the Company invests its excess cash in money market instruments issued by major financial institutions. As at November 30, 2011 the Company has a investments in GICs which are redeemable after 30 days from purchase. As such the Company considers that the interest rate risk is not significant.

(b) Foreign Currency Risk

The Company's exploration activities are based in Colombia and subject to foreign currency fluctuations. The Company's operating expenses are primarily incurred in Canadian Dollars and Colombian Pesos and the fluctuation of the Canadian Dollar in relation to the Colombian Peso will have an impact upon the profitability of the Company and may also affect the value of the Company's assets and liabilities. The Company has not entered into any agreements or purchased any instruments to hedge possible currency risks. At November 30, 2011, 1 Canadian Dollar was equal to 1,912 Colombian Pesos.

Balances are as follows:

	Colombian Pesos	**CDN $ Equivalent**
Cash	1,834,433,953	959,409
Amounts receivable	3,063,756	1,602
Accounts payable and accrued liabilities	(85,310,574)	(44,617)
	1,752,187,135	916,394

Based on the net exposures as of November 30, 2011 and assuming that all other variables remain constant, a 10% fluctuation on the Canadian Dollar against the Colombian Peso would result in the Company's net loss to be approximately $91,639 higher (or lower).

14. CAPITAL MANAGEMENT

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the identification and review of asset or business acquisitions. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The Company defines capital that it manages as shareholders equity. The Company has historically relied on the equity markets to fund its activities. The Company will continue to assess new opportunities. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

15. SUPPLEMENTAL CASH FLOW INFORMATION

Non-cash activities conducted by the Company during fiscal 2011 and 2010, are as follows:

	2011 $	2010 $
Operating activities		
Accounts payable for mineral resource interests	221,660	-
Financing activities		
Issuance of common shares for fees	885,430	15,959
Common share issue costs	(1,594,435)	(23,825)
Contributed surplus	759,196	7,866
Reallocation from contributed surplus on exercise of stock options	22,544	-
Reallocation from contributed surplus on exercise of finder's warrants	11,015	-
	83,750	-
Investing activities		
Accounts payable for mineral resource interests	(221,660)	-
Common shares issued for a finder's fee in connection with the Santa Elena option	(83,750)	-
	(305,410)	-

Other supplemental cash flow information

	2011 $	2010 $
Interest paid in cash	-	-
Income taxes paid in cash	-	-

16. SUBSEQUENT EVENTS

Subsequent to November 30, 2011 the Company:

(i) granted stock options to a consultant company to purchase 36,000 common shares of the Company at $1.50 per share for a period of two years; and

(ii) issued 107,896 common shares of the Company on the exercise of warrants for $108,335 proceeds.

CUORO RESOURCES CORP.
(formerly Blue Cove Capital Corp.)

CONSOLIDATED SCHEDULE OF MINERAL RESOURCE INTERESTS

	Year Ended November 30, 2011		
	Barranco de Loba Project $	Santa Elena Project $	Total $
BALANCE - BEGINNING OF YEAR	-	-	-
AMOUNTS INCURRED DURING THE YEAR			
EXPLORATION EXPENDITURES			
Assays	994	103,967	104,961
Camp costs	-	125,334	125,334
Casual labour	-	263,139	263,139
Consulting	-	121,048	121,048
Drilling	-	1,342,050	1,342,050
Geological	-	81,183	81,183
Geophysics	-	68,522	68,522
Insurance	-	17,029	17,029
IVA tax	-	63,800	63,800
Payroll	-	126,914	126,914
Rental and transportation	-	31,953	31,953
Repairs and maintenance	-	15,307	15,307
Supplies	-	39,278	39,278
Surface taxes	-	6,668	6,668
Travel	-	7,653	7,653
	994	2,413,845	2,414,839
ACQUISITION COSTS			
Option payments	243,695	508,165	751,860
Finder's fee	73,380	83,750	157,130
Claims, lease and surface costs	53,728	128,378	182,106
	370,803	720,293	1,091,096
BALANCE - END OF YEAR	371,797	3,134,138	3,505,935