CUORO RESOURCES CORP.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED
FEBRUARY 28, 2013

(Unaudited - Expressed in Canadian Dollars)

NOTICE OF NO AUDITOR REVIEW OF
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

In accordance with National Instrument 51-102 Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of these condensed consolidated interim financial statements they must be accompanied by a notice indicating that the condensed interim financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed consolidated interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

CUORO RESOURCES CORP.

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION

(Unaudited - Expressed in Canadian Dollars)

	Note	February 28, 2013 $	November 30, 2012 $
ASSETS			
Current assets			
Cash		7,016,648	8,008,803
Amounts receivable	4	79,061	97,606
Prepaid expenses		56,343	82,595
Total current assets		7,152,052	8,189,004
Non-current assets			
Property, plant and equipment	5	383,493	471,795
Exploration and evaluation assets	6	10,710,060	10,360,824
Total non-current assets		11,093,553	10,832,619
TOTAL ASSETS		18,245,605	19,021,623
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities		113,244	415,741
TOTAL LIABILITIES		113,244	415,741
SHAREHOLDERS' EQUITY			
Share capital	7	24,089,879	24,089,879
Share-based payments reserve		3,464,007	3,464,007
Deficit		(9,421,525)	(8,948,004)
TOTAL SHAREHOLDERS' EQUITY		18,132,361	18,605,882
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		18,245,605	19,021,623

Events after the Reporting Period - See Note 12.

These condensed consolidated interim financial statements were approved for issue by the Board of Directors on April 26, 2013 and are signed on its behalf by:

/s/ ***John Seaman***	/s/ ***Nick DeMare***
John Seaman	Nick DeMare
Director	Director

CuOro Resources Corp.

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF COMPREHENSIVE LOSS

(Unaudited - Expressed in Canadian Dollars)

	Note	Three Months Ended February 28, 2013 $	February 29, 2012 $
Expenses			
Accounting and administration	8(a)(iii)	36,939	18,200
Audit fees		46,410	20,000
Corporate development		2,231	35,362
Depreciation	5	23,195	20,604
General and administrative expenses		63,022	60,955
General exploration		1,316	-
Investment conferences		7,200	4,464
Investor relations		13,150	25,163
IVA tax		13,031	11,753
Legal fees		7,693	30,063
Officer and director compensation	8	62,455	93,083
Professional fees		110,140	39,568
Regulatory fees		15,827	1,142
Rent		39,235	35,545
Shareholder communications		2,710	16,322
Share-based compensation	7(d)	-	65,937
Telephone, website and internet costs		13,272	11,406
Transfer agent		1,000	2,188
Travel and related		60,010	74,170
		518,836	565,925
Loss before other items		(518,836)	(565,925)
Other items			
Interest income		24,304	28,060
Foreign exchange gain (loss)		27,615	(50,069)
Loss on sale of equipment		(6,604)	-
		45,315	(22,009)
Net loss and comprehensive loss for the period		(473,521)	(587,934)
Loss per share - basic and diluted		$(0.02)	$(0.02)
Weighted average number of common shares outstanding - basic and diluted		30,527,855	30,332,797

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

CuOro Resources Corp.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY
(Unaudited - Expressed in Canadian Dollars)

	Three Months Ended February 28, 2013				
	Share Capital				
	Number of Shares	Amount $	Share-Based Payments Reserve $	Deficit $	Total Equity $
Balance at November 30, 2012	30,527,855	24,089,879	3,464,007	(8,948,004)	18,605,882
Net loss	-	-	-	(473,521)	(473,521)
Balance at February 28, 2013	30,527,855	24,089,879	3,464,007	(9,421,525)	18,132,361

	Three Months Ended February 29, 2012				
	Share Capital				
	Number of Shares	Amount $	Share-Based Payments Reserve $	Deficit $	Total Equity $
Balance at November 30, 2011	30,304,501	23,872,067	3,426,397	(5,338,931)	21,959,533
Common shares issued for:					
Cash - exercise of warrants	62,597	55,536	-	-	55,536
Transfer on exercise of warrants	-	9,775	(9,775)	-	-
Share-based compensation on share options	-	-	65,937	-	65,937
Net loss	-	-	-	(587,934)	(587,934)
Balance at February 29, 2012	30,304,501	23,937,378	3,482,559	(5,926,865)	21,493,072

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

CUORO RESOURCES CORP.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
(Unaudited - Expressed in Canadian Dollars)

	Three Months Ended	
	February 28, 2013 $	February 29, 2012 $
Operating activities		
Net loss for the period	(473,521)	(587,934)
Adjustments for:		
Depreciation	23,195	20,604
Share-based compensation	-	65,937
Loss on sale of equipment	6,604	-
	(443,722)	(501,393)
Changes in non-cash working capital items:		
Decrease in amounts receivable	18,545	4,798
(Increase) decrease in prepaid expenses	26,252	(17,288)
Increase (decrease) in accounts payable and accrued liabilities	(12,492)	87,347
	32,305	74,857
Net cash used in operating activities	(411,417)	(426,536)
Investing activities		
Expenditures on exploration and evaluation assets	(639,241)	(1,755,279)
Purchases of equipment	-	(120,798)
Proceeds from sale of equipment	58,503	-
Deposits with suppliers	-	(61,201)
Net cash used in investing activities	(580,738)	(1,937,278)
Financing activities		
Issuance of common shares	-	55,536
Net cash generated from financing activities	-	55,536
Net change in cash	(992,155)	(2,308,278)
Cash at beginning of period	8,008,803	18,191,552
Cash at end of period	7,016,648	15,883,274
Cash comprises:		
Cash on hand	805,922	2,979,726
Demand deposits	6,210,726	12,903,548
	7,016,648	15,883,274

Supplemental cash flow information - See Note 11.

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

1. Nature of Operations

CuOro Resources Corp. (the "Company") was incorporated under the provisions of the B.C. Business Company Act on October 23, 2007. The Company is listed and traded on the TSX Venture Exchange ("TSXV") under the symbol "CUA". The Company's principal office is located at #1305 - 1090 West Georgia Street, Vancouver, British Columbia, V6E 3V7.

The Company is a junior mineral exploration company currently engaged in the acquisition and exploration of precious metals on mineral properties located in Colombia. On the basis of information to date, the Company has not yet determined whether these properties contain economically recoverable ore reserves. The underlying value of the exploration and evaluation assets 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. Exploration and evaluation assets represent costs incurred to date, less amounts amortized and/or written off, and do not necessarily represent present or future values.

These condensed consolidated interim financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business operations for the foreseeable future. The Company's ability to continue as a going concern is dependent upon the ability of the Company to obtain the necessary financing to develop properties and to establish future profitable production. To date the Company has not earned significant revenues and is considered to be in the exploration stage. The Company's operations are funded from equity financings which are dependent upon many external factors and may be difficult to impossible to secure or raise when required. Although management considers that the Company has adequate resources to maintain its core operations, option payment commitments and planned exploration programs on its existing mineral resource interests for the next twelve months. 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.

The Company did not make a US $1,000,000 option payment which came due on April 16, 2013 . See Note 12(a).

2. Basis of Preparation

Statement of Compliance

These condensed consolidated interim financial statements have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS"), and in accordance with International Accounting Standards ("IAS") 34, Interim Financial Reporting, as issued by the International Accounting Standards Board ("IASB"). These condensed consolidated interim financial statements should be read in conjunction with the audited consolidated financial statements for the year ended November 30, 2012, which have been prepared in accordance with IFRS as issued by the IASB. The accounting policies followed in these condensed consolidated interim financial statements are consistent with those applied in the Company's consolidated financial statements for the year ended November 30, 2012.

Basis of Presentation

The preparation of condensed consolidated interim financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, revenue and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

(Unaudited - Expressed in Canadian Dollars)

2. Basis of Preparation (continued)

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current and future periods.

3. Subsidiary

As at February 28, 2013 and November 30, 2012 the Company had one wholly-owned subsidiary, Minera CuOro S.A.S., which is incorporated in Colombia.

4. Amounts Receivable

	February 28, 2013 $	November 30, 2012 $
Harmonized sale tax receivable	75,618	86,267
Other	3,443	11,339
	79,061	97,606

5. Property, Plant and Equipment

	Office Furniture and Equipment $	Computer and Telephone Equipment $	Machinery and Equipment $	Vehicles $	Total $
Cost:					
Balance at November 30, 2011	77,143	62,695	38,412	226,800	405,050
Additions	2,029	24,080	142,114	20,476	188,699
Disposals	-	-	(2,854)	-	(2,854)
Balance at November 30, 2012	79,172	86,775	177,672	247,276	590,895
Disposals	(3,437)	-	(11,985)	(70,668)	(86,090)
Balance at February 28, 2013	75,735	86,775	165,687	176,608	504,805
Accumulated Depreciation:					
Balance at November 30, 2011	3,372	6,067	1,921	19,218	30,578
Depreciation	7,917	15,803	16,854	48,091	88,665
Disposals	-	-	(143)	-	(143)
Balance at November 30, 2012	11,289	21,870	18,632	67,309	119,100
Depreciation	1,979	4,339	4,513	12,364	23,195
Disposals	(490)	-	(1,257)	(19,236)	(20,983)
Balance at February 28, 2013	12,778	26,209	21,888	60,437	121,312
Carrying Value:					
Balance at November 30, 2012	67,883	64,905	159,040	179,967	471,795
Balance at February 28, 2013	62,957	60,566	143,799	116,171	383,493

(Unaudited - Expressed in Canadian Dollars)

6. Exploration and Evaluation Assets

	Santa Elena Project $	Barranco de Loba Project $	Total $
Balance at November 30, 2011	3,134,138	371,797	3,505,935
Exploration Costs			
Air survey	147,909	-	147,909
Assays	151,553	67,128	218,681
Camp costs	233,882	63,294	297,176
Casual labour	778,362	40,730	819,092
Community relations	54,690	-	54,690
Consulting	237,406	63,565	300,971
Drilling	3,535,819	-	3,535,819
Geological	260,836	-	260,836
Geophysics	561,552	59,196	620,748
Insurance	1,459	-	1,459
IVA tax	156,633	5,377	162,010
Payroll	292,253	71,929	364,182
Rental and transportation	67,162	333	67,495
Repairs and maintenance	7,714	317	8,031
Supplies	62,979	-	62,979
Travel	40,112	5,006	45,118
	6,590,321	376,875	6,967,196
Acquisition Costs			
Option payments	493,714	-	493,714
Claims, lease and surface costs	66,151	-	66,151
Finder's fees	76,500	-	76,500
	636,365	-	636,365
Impairment	-	(748,672)	(748,672)
Balance at November 30, 2012	10,360,824	-	10,360,824
Exploration Costs			
Assays	24,697	-	24,697
Camp costs	27,579	-	27,579
Casual labour	160,694	-	160,694
Community relations	10,213	-	10,213
Consulting	14,996	-	14,996
Geological	25,385	-	25,385
Insurance	3,342	-	3,342
IVA tax	22,887	-	22,887
Payroll	35,298	-	35,298
Rental and transportation	6,258	-	6,258
Mapping	7,500	-	7,500
Travel	3,060	-	3,060
	341,909	-	341,909
Acquisition Costs			
Claims, lease and surface costs	7,327	-	7,327
Balance at February 28, 2013	10,710,060	-	10,710,060

(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 $1,025,000 and is required to pay a further US $1,000,000 by April 16, 2013 and US $1,000,000 by April 16, 2014 and conduct a total of US$3,000,000 exploration expenditures by April 16, 2014 (completed).

(Unaudited - Expressed in Canadian Dollars)

6. Exploration and Evaluation Assets (continued)

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 (issued); and 141,250 common shares on April 20, 2013 while the Santa Elena Option is in effect.

See also Note 12(a).

(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. 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"). The Company paid $44,277 for surface rights fees and was 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 did not make the August 16, 2012 option payment and had initiated discussions with the underlying owner of the Barranco Project to amend timing and quantum of the option payments. In October 2012 the Company, having failed to reach an agreement to amend the option terms, determined to terminate the Barranco Option and, accordingly, during the year ended November 30, 2012 recorded an impairment expense of $748,672 for exploration and evaluation costs.

7. Share Capital

(a) *Authorized Share Capital*

As at February 28, 2013 the Company's authorized share capital consisted of an unlimited number of common shares without par value. All issued common shares are fully paid.

(b) *Reconciliation of Changes in Share Capital*

No financings were conducted by the Company during the three months ended February 28, 2013 or during the year ended November 30, 2012.

(c) *Warrants*

A summary of the number of common shares reserved pursuant to the Company's outstanding warrants at February 28, 2013 and February 29, 2012 and the changes for the three months ended on those dates is as follows:

	2013		2012	
	Number	Weighted Average Exercise Price $	Number	Weighted Average Exercise Price $
Balance, beginning of period	8,726,589	1.79	8,874,943	1.78
Exercised	-	-	(62,597)	0.89
Balance, end of period	8,726,589	1.79	8,812,346	1.78

(Unaudited - Expressed in Canadian Dollars)

7. Share Capital (continued)

The following table summarizes information about the number of common shares reserved pursuant to the Company's warrants outstanding and exercisable at February 28, 2013:

Number	Exercise Price $	Expiry Date
4,345,590	1.30	April 20, 2013
630,999	1.00	April 20, 2013
3,750,000	2.50	May 31, 2013
8,726,589		

In addition, as at February 28, 2013, 468,300 Underwriters' Warrants exercisable at $2.00 per unit on or before May 31, 2013 remained outstanding.

See also Note 12(b).

(d) *Share Option Plan*

The Company has established a rolling share 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. Options granted may be subject to vesting provisions as determined by the Board of Directors and have a maximum term of ten years.

During the three months ended February 28, 2013 the Company did not grant any share options.

During the three months ended February 29, 2012 the Company granted 36,000 share options to its directors, officers and consultants and recorded compensation expense of $35,517. In addition during the three months ended February 29, 2012 the Company recorded compensation expenses of $30,420 (2013 - $nil) on the vesting of share options previously granted. The fair value of share options granted and/or vested during the three months ended February 28, 2012 has been estimated using the Black-Scholes option pricing model using the following assumptions: risk-free interest rate of 0.98%; estimated volatility of 125.93%; expected life of 2 years; expected dividend yield of 0%; estimated forfeiture rate of 0%.

The weighted average fair value of all share options granted and/or vested during the three months ended February 29, 2012 was $0.99 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 measure of the fair value of the Company's share options.

A summary of the Company's share options at February 28, 2013 and February 29, 2012 and the changes for the three months ending on those dates, is as follows:

	2013		2012	
	Number of Options Outstanding	Weighted Average Exercise Price $	Number of Options Outstanding	Weighted Average Exercise Price $
Balance, beginning of period	2,722,752	1.07	2,906,752	1.12
Granted	-	-	36,000	1.50
Cancelled	(801,966)	0.76	-	-
Balance, end of period	1,920,786	1.20	2,942,752	1.13

(Unaudited - Expressed in Canadian Dollars)

7. Share Capital (continued)

The following table summarizes information about the share options outstanding and exercisable at February 28, 2013:

Number Outstanding	Exercise Price $	Expiry Date
534,786	0.52	November 16, 2013
20,000	2.00	July 7, 2014
50,000	2.10	July 8, 2014
100,000	2.00	July 21, 2014
690,000	1.00	April 20, 2016
465,000	2.00	August 24, 2016
25,000	1.50	November 23, 2016
36,000	0.52	February 16, 2014
1,920,786		

(e) *Escrow Shares*

As at February 28, 2013, 702,000 common shares remain held in escrow.

(f) *Transaction Agreement with Pacific Road*

On May 28, 2012, as amended, October 18, 2012, the Company and Pacific Road Resources Fund II and Pacific Road Resources Fund II L.P. (collectively "Pacific Road") entered into a definitive agreement (the "Agreement") with respect to certain investments that may be made in the Company by Pacific Road (the "Transaction").

Under the terms of the Agreement, the Company has granted to Pacific Road two separate options to purchase units of the Company by way of non-brokered private placements, subject to certain terms and conditions as set out in the Agreement. The issuance of the units is subject to the final approval of the TSXV.

The Agreement also provides for Pacific Road to purchase a minimum of two million common shares of the Company in the secondary market within 15 business days from the date the Company completes and delivers to Pacific Road a "New Drilling Report" on the Santa Elena Property.

The first option to purchase units of the Company (the "P1 Units") provides for an investment in the Company by Pacific Road between $5.0 and $7.5 million at a price of $2.00 per P1 Unit, subject to the pricing rules of the TSXV. The first option will be triggered upon the earlier of the delivery of the New Drilling Report or the Company's share price trading at or above $2.00 per share. Each P1 Unit shall consist of one common share and one-half of a common share purchase warrant of the Company. Each whole warrant shall be exercisable for one common share at a price of $2.50 for a period of two years from the date of issue, but will not be exercisable until 65 days after the issue of the P1 Units.

The second option to purchase units of the Company (the "P2 Units") provides for an investment in the Company by Pacific Road of up to $40 million at a price per P2 Unit equal to the 20-day volume-weighted average price of the Company's common shares at the time the second option is exercised, subject to the pricing rules of the TSXV. The second option may be exercised at any time within 45 days of the earlier of the Company completing and delivering to Pacific Road a resource statement and preliminary economic assessment or a pre-feasibility study. Each P2 unit shall consist of one common share and one-half of a common share purchase warrant of the Company. Each whole warrant shall be exercisable for one common share at a price equal to 125% of the P2 Unit purchase price for a period of two years from the date of issue.

7. Share Capital (continued)

The final number of units to be issued under each option, if exercised, and the price and expiry dates of the securities to be issued under each option will be announced at the time such option is exercised by Pacific Road. Assuming that all contemplated purchases of securities in the market and exercise of options to purchase units of the Company are made by Pacific Road it is expected that Pacific Road will ultimately become a control person in the Company within the meaning of the TSXV rules and applicable securities laws.

The Agreement contains representations and warranties of the Company and Pacific Road as well as certain conditions precedent and covenants that must be satisfied in connection with the Transaction. The Company has also agreed to grant to Pacific Road certain shareholder rights including representation on the board of directors of the Company, registration rights and preemptive rights conditional upon the completion of the exercise of the first option. The Agreement contains a mutual termination right as well as certain termination rights in favour of the Company and Pacific Road, respectively.

8. Related Party Disclosures

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.

(a) *Transactions with Key Management Personnel*

In October 2012 Robert Sedgemore resigned as the Company's President and Chief Executive Officer ("CEO") and John Seaman was appointed as the interim President and CEO. Iain Kelso was also appointed as the Company's Vice-President of Exploration.

(i) During the three months ended February 28, 2013 the Company incurred $15,000 for Mr. Seaman's services as the Company's interim President and CEO.

(ii) During the three months ended February 29, 2012 the Company paid $56,483 salaries to Mr. Sedgemore and $7,780 secretarial fees to his spouse. In addition the Company paid $12,613 for apartment rental in Colombia provided for Mr. Sedgemore and his family.

(iii) During the three months ended February 28, 2013 the Company incurred $7,500 (2012 - $7,500) for Nick DeMare's services as the Company's Chief Financial Officer ("CFO"):

In addition, during the three months ended February 28, 2013, the Company incurred a total of $7,700 (2012 - $10,150) with Chase Management Ltd. ("Chase"), a private corporation owned by the CFO of the Company, for accounting and administration services provided by Chase personnel, excluding the CFO.

(iv) During the three months ended February 28, 2013 the Company incurred $45,085 for Mr. Kelso's services as the Company's Vice-President of Exploration, of which $10,800 was expensed to operations and $34,285 was capitalized to exploration and evaluation assets.

As at February 28, 2013, $12,523 (2012 - $23,311) remained unpaid and has been included in accounts payable and accrued liabilities.

(b) *Transactions with Other Related Parties*

During the three months ended February 28, 2013 the Company incurred $29,155 (2012 - $29,100) for professional services provided by other officers and non-management directors of the Company.

(Unaudited - Expressed in Canadian Dollars)

9. Segmented Information

Substantially all of the Company's operations are in one industry, the exploration for precious metals. Management reviews the financial results according to expenditures by property. The Company's mineral properties are located in Colombia and its corporate assets are located in Canada. The Company is in the exploration stage and, accordingly, has no reportable segment revenues or operating results.

	As at February 28, 2013		
	Corporate Canada $	Mineral Operations Colombia $	Total $
Current assets	7,061,409	90,643	7,152,052
Exploration and evaluation assets	-	10,710,060	10,710,060
Property, plant and equipment	-	383,493	383,493
	7,061,409	11,184,196	18,245,605

	As at November 30, 2012		
	Corporate Canada $	Mineral Operations Colombia $	Total $
Current assets	7,980,305	208,699	8,189,004
Exploration and evaluation assets	-	10,360,824	10,360,824
Property, plant and equipment	-	471,795	471,795
	7,980,305	11,041,318	19,021,623

10. Financial Instruments and Risk Management

Categories of Financial Assets and Financial Liabilities

Financial instruments are classified into one of the following four categories: FVTPL; held-to-maturity investments; loans and receivables; and available-for-sale. The carrying values of the Company's financial instruments are classified into the following categories:

Financial Instrument	Category	February 28, 2013 $	November 30, 2012 $
Cash	FVTPL	7,016,648	8,008,803
Amounts receivable	Loans and receivables	79,061	97,606
Accounts payable and accrued liabilities	Other liabilities	(113,244)	(415,741)

The Company's financial instruments recorded at fair value require disclosure about how the fair value was determined based on significant levels of inputs described in the following hierarchy:

Level 1 - Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and value to provide pricing information on an ongoing basis.

(Unaudited - Expressed in Canadian Dollars)

10. Financial Instruments and Risk Management (continued)

Level 2 - Pricing inputs are other than quoted prices in active markets included in Level 1. Prices in Level 2 are either directly or indirectly observable as of the reporting date. Level 2 valuations are based on inputs including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the market place.

Level 3 - Valuations in this level are those with inputs for the asset or liability that are not based on observable market data.

The recorded amounts for amounts receivable, and accounts payable and accrued liabilities approximate their fair value due to their short-term nature. The Company's cash under the fair value hierarchy are 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 and amounts receivable. Management believes that the credit risk concentration with respect to financial instruments included in cash and amounts receivable is remote.

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 financial liabilities are classified as current and are anticipated to mature within the next fiscal period. The following table is based on the contractual maturity dates of financial assets and the earliest date on which the Company can be required to settle financial liabilities.

	Contractual Maturity Analysis at February 28, 2013				
	Less than 3 Months $	3 - 12 Months $	1 - 5 Years $	Over 5 Years $	Total $
Cash	7,016,648	-	-	-	7,016,648
Amounts receivable	79,061	-	-	-	79,061
Accounts payable and accrued liabilities	(113,244)	-	-	-	(113,244)

	Contractual Maturity Analysis at November 30, 2012				
	Less than 3 Months $	3 - 12 Months $	1 - 5 Years $	Over 5 Years $	Total $
Cash	8,008,803	-	-	-	8,008,803
Amounts receivable	97,606	-	-	-	97,606
Accounts payable and accrued liabilities	(415,741)	-	-	-	(415,741)

10. Financial Instruments and Risk Management (continued)

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

The Company is exposed to interest rate risk to the extent that the cash and cash equivalents bear floating rates of interest. The interest rate risk on cash and short-term investments and on the Company's obligations are not considered significant.

(b) Foreign Currency Risk

The Company has operations in Canada and Colombia subject to foreign currency fluctuations. The Company's operating expenses are incurred in Canadian Dollars and Colombian Pesos and the fluctuation of the Canadian dollar in relation to other currencies will have an impact upon the profitability of the Company and may also affect the value of the Company's assets and the amount of shareholders' equity. The Company has not entered into any agreements or purchased any instruments to hedge possible currency risks. At February 28, 2013, 1 Canadian Dollar was equal to 1,760.56 Colombian Pesos.

Balances are as follows:

	Colombian Pesos	CDN $ Equivalent
Cash	127,245,321	72,275
Amounts receivable	138,672	79
Accounts payable and accrued liabilities	(78,442,127)	(44,555)
	48,941,866	27,799

Based on the net exposures as of February 28, 2013 and assuming that all other variables remain constant, a 10% fluctuation on the Canadian Dollar against the Colombian Peso would result in an increase or decrease of approximately $2,780.

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 acquisition and exploration of mineral properties. 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 share capital. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

(Unaudited - Expressed in Canadian Dollars)

11. Supplemental Cash Flow Information

Non-cash activities conducted by the Company during the three months ended February 28, 2013 and February 29, 2012, are as follows:

	2013 $	2012 $
Operating activity		
Accounts payable and accrued liabilities related to exploration and evaluation assets	(290,005)	(221,660)
Investing activity		
Accounts payable and accrued liabilities related to exploration and evaluation assets	290,005	221,660

12. Events after the Reporting Period

(a) The Company did not make the US $1,000,000 option payment due on April 16, 2013 on the Santa Elena Option, nor did it issue the 141,250 common shares of the Company on April 20, 2013 as finder's fees. The Company has until July 16, 2013 to remedy the default.

(b) Subsequent to February 28, 2013 warrants to purchase 4,976,589 common shares of the Company expired without exercise.