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Form 51-102F1

MANAGEMENT DISCUSSION AND ANALYSIS

December 31, 2011

For the nine month period ended December 31, 2011

The Company received approval and has changed its year-end from March 31 to December 31.

Management believes that the new year-end better enables the Company to fulfill its reporting responsibilities with its subsidiaries whose year-end dates are December 31.

The following management discussion and analysis ("**MD&A**") of the consolidated financial position of Antioquia Gold Inc. (the "Company" or "Antioquia") should be read in conjunction with the audited consolidated financial statements as at December 31, 2011 and the Company's Canadian GAAP annual consolidated financial statements for the year ended March 31, 2011. In the consolidated financial statements, the term "Canadian GAAP" refers to Canadian GAAP before adoption of IFRS. The audited consolidated financial statements for the nine month period ended December 31, 2011 have been prepared in accordance with IFRS 1, *First-time adoption of International Financial Reporting Standards,* ("IFRS 1"). The policies applied in these financial statements are based on IFRS issued and outstanding as of April 20, 2012, the date of approval by the Company's Board of Directors. Reconciliations, descriptions and explanations of how the transition to IFRS has affected the reported consolidated financial position, consolidated financial performance and consolidated cash flows of the Company are disclosed in note 16. The Company's IFRS accounting policies have been applied consistently in all periods in preparing the consolidated financial statements for the nine months ended December 31, 2011, and the year ended March 31, 2011, and the preparation of an opening IFRS consolidated statement of financial position on the April 1, 2010 Transition Date ("**Transition Date**").

This MD&A is effective as of April 20, 2012.

All dollar figures in this MD&A, unless otherwise stated, are expressed in Canadian dollars.

The technical information of this MD&A has been reviewed and approved by Mr. Brad Van Den Bussche, P. Geo. and a Qualified Person as defined by National Instrument 43-101.

Forward-looking Information

Certain statements contained in the following MD&A constitute forward-looking statements. Such forward-looking statements involve a number of known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from actual future results and achievements expressed or implied by such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statements were made. Readers are also advised to consider such forward-looking statements while considering the risks set forth below.

Caution Regarding Forward Looking Statements

Except for statements of historical fact relating to the Company, certain information contained in this MD&A constitutes "forward-looking information" under Canadian securities legislation. Forward-looking information in this MD&A includes, but is not limited to, statements with respect to the potential of the Company's properties; the future price of gold; success of exploration activities; cost and timing of future exploration and development; the expectation of gold recoveries; the planned focus of activities at the Company's Cisneros Project (as hereinafter defined); the Company's plans with respect to its Strategic Properties (hereinafter defined); requirements for additional capital; and other statements relating to the financial and business prospects of the Company.

Generally, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", "believes", or variations of such words and phrases. Forward-looking information may also be identified in statements where certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved".

Forward-looking information is based on the reasonable assumptions, estimates, analysis and opinions of management made in light of its experience and its perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date that such statements are made.

Forward-looking information is inherently subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information, including but not limited to risks related to:

- The Company's goal is to create shareholder value by concentrating on the acquisition and development of properties that have the potential to contain economic gold and other precious metals;

- The Company's anticipated plans regarding exploration for the Cisneros Project in particular, the timing, and the amount of the expected exploration and evaluation budget;
- Management's assessment of future plans for the Company's projects in Colombia;
- Management's economic outlook regarding future trends;
- The Company's ability to meet its working capital needs at the current level in the short term;
- Expectations with respect to raising capital;
- Sensitivity analysis on financial instruments may vary from amounts disclosed; and
- Governmental regulation and environmental liability.

In addition, the Company has also made certain assumptions that the Company believes are reasonable. These assumptions include, but are not limited to, the actual results of exploration projects being equivalent to or better than estimated results than prior exploration and results, future costs and expenses being equivalent to historical costs and expenses (adjusted for inflation), and the ability of the Company to obtain additional financing.

Although management of the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, other factors could also cause materially different results. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements.

Accordingly, readers should not place undue reliance on forward-looking information. The Company does not undertake to update any forward-looking information, except in accordance with applicable securities laws.

International Financial Reporting Standards ('IFRS")

Statement of Compliance

The audited consolidated financial statements for the nine month period ended December 31, 2011 have been prepared in accordance with IFRS 1, *First-time adoption of International Financial Reporting Standards,* ("IFRS 1"). The policies applied in these consolidated financial statements are based on IFRS issued and outstanding as of April 20, 2012, the date of approval by the Company's Board of Directors. Reconciliations, descriptions and explanations of how the transition to IFRS has affected the reported consolidated financial position, consolidated financial performance and consolidated cash flows of the Company are disclosed in note 16. The Company's IFRS accounting policies have been applied consistently in all periods in preparing the consolidated financial statements as at December 31, 2011, and March 31, 2011, and the preparation of an opening IFRS consolidated statement of financial position on the April 1, 2010 Transition Date ("**Transition Date**"). These audited consolidated financial statements should be read in conjunction with the audited consolidated financial statements as at December 31, 2011 and the Company's Canadian GAAP annual consolidated financial statements for the year ended March 31, 2011. In the consolidated financial statements, the term "Canadian GAAP" refers to Canadian GAAP before adoption of IFRS.

Antioquia Business

Antioquia Gold Inc. (the "Company" or "Antioquia") is a mineral exploration and development planning stage Company engaged in acquisition, exploration, evaluation and development planning of primarily gold resource properties in Colombia. The Company has its corporate headquarters in Calgary, Canada with operations and office and field facilities located in Colombia. The Company trades on the TSX-V under the symbol "AGD" and on the OTCQX under the symbol "AGDXF"

The Company currently holds the rights to explore and develop eight properties in Colombia totaling 39,616 hectares of mineral leases including 5,630 hectares at its flagship Cisneros Project.

Additional information on Antioquia's business and activities can be found on SEDAR at www.sedar.com and on the Company's website at www.antioquiagoldinc.com.

Corporate History, Background and General Development

Antioquia Gold Inc. was formerly known as High American Gold Inc. which was originally formed pursuant to an amalgamation agreement dated April 25, 1997 involving Stromatalite Resource Corp. and Intex Mining Company Limited.

On July 30, 2008, Antioquia Gold Inc. completed a transaction (the "**Am-Ves Transaction**") with Am-Ves Resources Inc. ("Am-Ves"), a company incorporated under the laws of Alberta on January 19, 2006. On July 30, 2008 the Company acquired 100% of the outstanding shares of Am-Ves. This transaction was accounted for as a reverse takeover where the shareholders of Am-Ves acquired control of Antioquia Gold Inc. On March 31, 2009 Antioquia Gold Inc. and Am-Ves were amalgamated under the laws of Alberta and now operate under the name Antioquia Gold Inc.

As part of the Am-Ves Transaction, 6,129,100 common shares issued to certain shareholders of Am-Ves were placed into escrow pursuant to an escrow agreement entered into among the Company, certain shareholders, and the Company's transfer agent and became subject to a staggered release from escrow over a period of three years. The final 15% held in escrow were released on August 5, 2011.

The Company owns 100% of Antioquia Gold Ltd., a Barbados company, which in turn has a branch registered to conduct business in Colombia, South America. On December 2, 2009, the Company completed the 100% acquisition of Ingenieria Y Gestion Del Territorio S.A. ("**IGTER**"), a company incorporated under the laws of Colombia. All the mineral exploration activities of the Company are in Colombia.

On October 18, 2007, Am-Ves entered into an agreement (the "**Guayabito Purchase Agreement**") to acquire a 100% interest in the Guayabito Project, (the "**Guayabito Project**"), located in the Antioquia Department of Colombia. The Guayabito Project consists of two concessions totaling 178 hectares. The Company obtained mining rights for gold, silver, and associated minerals on those concessions for payments totaling $1,600,000 USD and the issuance of 500,000 Am-Ves common shares.

A 1% net smelter return ("**NSR**") was granted to the vendor of the Guayabito Project. The Company continues with the objective of producing a positive feasibility study focused on mine development.

The Guayabito Purchase Agreement also provided the Company with the option to acquire further lands ("**La Manuela Property**") from private sources. This option was exercised in October 23, 2008, resulting in the addition of 101 hectares near the Guayabito Project lands.

On April 9, 2009, the Company entered into a purchase agreement (the "**BHC Agreement**") with Bullet Holding Corp. ("**BHC**"), a private company with a large portfolio of mining concessions in Colombia. The BHC Agreement stated Antioquia would acquire a 90% interest in two concessions, totaling 5,243 hectares, adjacent to Antioquia's existing Guayabito Project property, in the Cisneros area of Antioquia, Colombia. This agreement was amended on November 5, 2009 such that a total of 1,062,500 Antioquia common shares and 531,250 Antioquia warrants were issued to BHC. Each warrant entitled the holder to purchase one Antioquia common share at a price of $0.40 per share, exercisable for 24 months from the date of issue. The warrants expired on November 12, 2011. Under the BHC Agreement, the Company was also obligated to fulfill $2 million USD in exploration expenditures by October 9, 2010. All of the conditions of the BHC Agreement have been met, including the fulfillment of the exploration expenditures on the specified date. Antioquia is awaiting the final registry of its interest in the Colombian National Mining Registry. The Contract provided GDB with a 10% free carried interest until December 30, 2011 (extended from December 31, 2010). GDB was given an extension to January 31, 2012 to evaluate the geology report and data collected during 2011. GDB converted the 10% interest into a 1% net smeltor return (NSR) on January 31, 2012.

On May 19, 2010, the Company signed a contract to acquire additional key exploration lands at the Company's Cisneros Project. The acquisition comprised of a 100% interest in a 104 hectare property, named Pacho Luis, situated directly adjacent to Antioquia's La Manuela concessions. The Company paid $50,000 cash on signing to a private individual for the property. The Company also agreed to issue 150,000 common shares of Antioquia once the concession was registered in the name of the Company in the Colombian National Mining Registry as part of the purchase price. The common shares were issued on June 22, 2011 upon registration of 100% of the mining title at the Colombia National Mining Registry.

As a result of changes to mining laws in Colombia, mining companies were obligated to pay a claim fee by May 8, 2010 on proposals for any concession that was subject to certain technical conditions or claims status. Under a pre-existing agreement between Sociedad Soratama, Sucursal Colombia ("**Soratama**"), a wholly-owned subsidiary of Barrick Gold Corporation, ("**Barrick**"), and IGTER, (the "**Soratama-IGTER Agreement**"), IGTER had the option to acquire certain concessions from Soratama. IGTER and Soratama reviewed their respective interests to determine what would remain with IGTER. In total, IGTER vetted over 200,000 hectares of land that was subject to the Soratama-IGTER Agreement, and accepted possession and control of 31,997 hectares. To retain these concessions and keep them current, Antioquia paid the claim fees due, which amounted to $270,500 USD

The following project areas were claimed by the Company and are collectively known as the "**Strategic Properties**":

Project Area	**Department**	**Hectares**
Concordia-Betulia	Antioquia	12,387
Caicedo	Antioquia	3,156
Jerico	Antioquia	3,105
Gavia	Antioquia	2,887
Manizales Norte	Caldas	10,091
Aquadas	Caldas	371
TOTAL		31,997

On June 2, 2010, the Company took possession of the Strategic Properties. Soratama has a back-in right (the "**Soratama Option**") exercisable once 2 million ounces of proven and probable ounces of gold equivalent are quantified on a given project. If Soratama chooses to exercise the Soratama Option, it may retain a 75% interest in the selected property via a cash payment to Antioquia equal to a multiple of three times the amount of expenditures incurred by Antioquia up to, and including, the date the Soratama Option is exercised, plus a modest fee for each ounce of gold equivalent quantified. If Soratama does not exercise the Soratama Option, it would be entitled to a 2% net smelter return (NSR) under certain conditions. There are no minimum earn-ins or exploration expenditures required from the Company to maintain 100% ownership of the concessions.

During the nine month period ended December 31, 2011, the Company added three additional concessions contracts to the Strategic Properties through IGTER totaling 1,988.8 hectares:

i) Canas Gordas 1,942.0 hectares
ii) Apia 32.5 hectares
iii) Salento 14.3 hectares.

Overall Performance

The Company is a mineral exploration company with no producing properties and therefore no source of income. The Company's objective is to explore for and discover economically viable reserves in Colombia. The Company`s main source of capital is derived from the issuance of equity.

The Company has raised $6,545,975 from the time of the Am-Ves Transaction to March 31, 2010 and an additional $10,807,737 during the year ended March 31, 2011. There were no funds raised during the nine months ended December 31, 2011.

Antioquia has established a strong presence in Colombia through the following:

- acquisition of 39,616 hectares of mineral leases;
- recruitment of highly competent professionals and staff;
- establishment of an office in Medellin; and
- the commitment of resources to an exploration program at the Company's flagship Cisneros Project described more fully below.

Selected Quarterly Information

The summary below highlights selected quarterly information:

Quarter ended	Dec 31, 2011	Sep 30, 2011	Jun 30, 2011	Mar 31, 2011
Gross revenues	10,041	18,738	3,970	70,438
Cash flow from operations	(209,300)	(713,333)	(503,294)	(997,924)
Per share	–	(0.01)	–	(0.02)
Net loss	878,464	719,726	685,201	1,099,336
Per share	0.01	0.01	0.01	0.01
Capital expenditures	1,368,755	1,673,557	1,072,236	323,717
Working capital	1,364,136	3,087,556	5,448,949	7,108,110
Total assets	14,527,816	14,963,964	15,769,704	16,216,134

Quarter ended	Dec 31, 2010**	Sep 30, 2010**	June 30, 2010**	Mar 31, 2010**
Gross revenues	(7,319)	14,289	57,875	764
Cash flow from operations	(251,536)	(698,148)	(84,259)	(872,190)
Per share	-	(0.01)	-	(0.02)
Net loss	554,185	578,525	259,458	675,030
Per share	0.01	0.01	-	0.01
Capital expenditures	955,330	929,471	1,365,825	(270,277)
Working capital	554,395	953,609	175,406	1,754,591
Total assets	10,545,922	10,015,398	8,460,929	7,262,209

** restated per note 13 to the audited consolidated financial statements for the years ended March 31, 2011 and 2010

Results of Operations

The Company incurred a loss for the nine month period ended December 31, 2011 of $2,283,391 (year ended March 31, 2011 - $2,491,504). The loss reflects the business activity of the Company as it continues exploration activities in Colombia. Capital expenditures (exploration assets, evaluation assets and equipment), during the nine month period ended December 31, 2011 were $4,162,356 (year ended March 31, 2011 - $3,574,343). Operating expenses during the nine month period ended December 31, 2011 were $2,316,140 (year ended March 31, 2011 - $2,626,787). This included $676,923 of general and administrative expenses primarily related to general expenses incurred in the Colombian office (2011 - $1,062,041).

Exploration and Evaluation Activities

As of December 31, 2011, the Company has incurred a cumulative loss of $8,453,847 as part of the acquisition of properties and exploration in Colombia. The Company has exploration costs of $2,768,318, evaluation costs of $8,630,446 and equipment costs of $243,436 to December 31, 2011.

Cisneros Project

The Company's principal asset is its Cisneros Project, which consists of 10 contiguous mineral dispositions covering 5,630 hectares and located 55 kilometers northeast of Medellin in the Department of Antioquia, Colombia (the "**Cisneros Project**").
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The property is located geologically on a large granodiorite intrusive called the Antioquia Batholith, where gold mineralization is structurally controlled.and closely associated with quartz and pyrite. Mineralization occurs primarily as mesothermal and epithermal veins and to a lesser extent within larger disseminated alteration zones. The Cisneros Project includes over 60 historic artisanal mines, many of which have been used by the Company for exploration.

The Cisneros Project is comprised of the following properties:

Area	Ownership Status	Hectares
Guayabito	100% owned	178.35
La Manuela	100% owned	100.46
Santo Domingo	90% owned/10% joint venture	5,242.89
Pacho Luis	100% owned	103.72
Trocito	100% owned	4.74
Total Cisneros Project Lands		5,630.16

The Company has been conducting exploration activities on the Cisneros Project since the third quarter of 2007. Previous work undertaken by the Company on the Cisneros Project includes:

- Regional geological mapping of the property, with detailed mapping (scale of 1:5000) of the core area and specific prospects, structures and artisanal tunnels;
- Geochemistry programs consisting of rock samples (surface and artisanal tunnels), soil and stream sediment sampling, and trenching (ongoing);
- Ground magnetometer and IP Geophysics (ongoing);
- Airborne magnetometer and radiometric survey;
- Property wide LIDAR topographic survey;
- Diamond core drilling (ongoing); and
- Preliminary metallurgical testing and analysis (ongoing).

Prior to March 31, 2011, the Company completed 15,096 metres of diamond drilling in 85 holes. Drilling activities continued through December 2, 2011 where the Company completed 17,218 metres of diamond drilling in 78 holes during the nine months ended December 31, 2011. In the three months ended December 31, 2011 the Company completed 2,821 metres of diamond drilling in 12 holes. Total drilling since 2007 until December 31, 2011 on the Cisneros project was 32,314 metres in 163 holes. The Company completed the planned 2011 drilling program on December 2, 2011 and released the final drill rig on December 2, 2011

Throughout the period, structural mapping and trenching continued to define and extend known structures along strike and define additional drill targets in the regional Cisneros areas.

Drilling in the 9 month period ended December 31, 2011 was focused mainly on further delineation and the extension of mineralized structures, and adding resources at the Guayabito and Guaico Deposits and the Manuela, Soroma, Chamuela, Ivana, Nus and Cerro structures. Towards the end of the drill program, the regional targets of Los Planes and Barenos were tested with their first drill holes.

Drill results from the Company's 2011 drill campaign were disclosed through news releases dated May 27, 2011, June 28, 2011, September 12, 2011, September 15, 2011, September 21, 2011and October 20, 2011. Highlights of the drilling program can be found under the Company's profile on SEDAR (www.sedar.com) in the Company's press releases. Additional information on the Cisneros Project can also be found in the National Instrument 43-101 compliant Technical Report filed on SEDAR on December 14, 2010.

Throughout this time, the Company continued to evaluate regional targets, outside the central area, but still within the Cisneros Project area. During the nine months ended December 31, 2011, the Company continued detailed ground work, focusing on three target areas (Barenos, Los Planes and Penas) where drill targets were defined. Initial drilling was performed at Los Planes and Barenos at the end of the 2011 drill program.

The Company continued planning and working on many predevelopment activities throughout the nine months ended December 31, 2011. Proposals and planning for preliminary exploitation and exploration tunnel access are ongoing, including the associated environmental and licensing requirements. Metallurgical testing is also ongoing on the Cisneros project.

Exploration Subsequent to December 31, 2011

Since December 31, 2011, the Company has focused on the compilation of a full exploration report incorporating all exploration activities and studies performed to date on the Cisneros Project. The report also contains full interpretation of all drilling and regional exploration, an updated geological model, preliminary internal resource assessment and a detailed plan for continued field exploration for the 2012 calendar year. The property wide LIDAR survey was completed on the Cisneros Project area providing accurate topographic control for all aspects of the exploration and development moving forward.

The geological team was mobilized to Cisneros on April 16, 2012 to begin the 2012 field exploration program.

Since December 31, 2011, the Company has disclosed results on the final diamond drill holes from the 2011 program. Details of these results can be found in the Company's news releases dated February 2, 2012 and February 7, 2012.

Future Exploration Activities (subsequent to April 19, 2012)

Moving forward, the Company will focus on building resources in the core of the project with a planned 20,000 metre drilling program contracted to start in late April, 2012.

At the same time, the Company will continue to generate and evaluate additional regional exploration targets identified through regional airborne geophysics and geochemical programs in search of additional areas similar to the core area and drilling targets and a potentially larger mineralized system. The Company will also continue work on the design and implementation of an exploration tunnel in the Guayabito and/or Manuela lands to test grade and continuity. This priority exploration tunnel will allow the Company to perform underground drilling to define resources, evaluate structures encountered during the surface drilling program, and obtain bulk samples for detailed metallurgical testing.

Strategic Properties

Antioquia Gold Inc. continues to evaluate and search out qualified joint venture partners to work on their Strategic Properties acquired through the Soratama-IGTER Agreement. In addition to the six projects covering 31,997 hectares previously disclosed along the Cauca Porphyry Belt., the Company added three more concessions held by IGTER, prior to Antioquia Gold`s purchase of IGTER. These concessions total 1,989 hectares and include a contract consisting of 1,942 hectares at Canas Gordas, a contract consisting of 32.5 hectares at Apia, and a contract consisting of 14.3 hectares at Salento. An additional coal application consisting of 1,166 hectares at Guaduas is held by IGTER but has not had a technical review of free area by the government agencies yet. The Company plans to conduct a preliminary reconnaissance program at Canas Gordas prior to year end. Currently, the Company does not consider the Strategic Properties as material properties to the Company and has budgeted $300,000 in 2012 to conduct various exploration activities on the Strategic Properties. The Company is also currently in discussions with a number of interested parties regarding the potential for a joint venture on some of these projects. Concordia Betulia and Caicedo are under a non-binding Letter of Intent ("LOI") with Trident Gold Corp. dated September 22, 2011, whereby Trident can earn a 60% interest in the properties by spending $3 million over a 21 month period after signing a definitive joint venture agreement. Due to market conditions and other priorities by both the Company and Trident, the joint venture discussions have been placed on hold.

Concordia Betulia

The Concordia Betulia project totals 14,139 hectares in four concession applications, three with defined technical studies. Registration of one concession has occurred at the Colombian National Mining Registrar ("RNM"), one contract is awaiting registration at the RNM and the other two other areas are pending.

The project is located 40 kilometers southwest of Medellin in the Department of Antioquia. The property is located along the Middle Cauca Porphyry Belt and is adjacent to a number of well-defined porphyry deposits.

Prior to December 31, 2011, the Company conducted three field reconnaissance and sampling programs and compiled a report of the findings, confirming the presence of mineralizing events with copper and gold content and the occurrence of porphyry rocks on the project area. No further technical work was conducted during the nine months ended December 31, 2011.

The Company has entered into a non-binding LOI with Trident Gold Corp. to form a joint venture to explore these lands.

Manizales North

The Manizales North project totals 10,091 hectares in three concession applications with defined technical studies, and registration in the RNM is pending. The project is located 20 kilometers north of Manizales in the Department of Caldas. The property is adjacent to the Middle Cauca Porphyry Belt on the Western Craton Edge.

Prior to December 31, 2011, the Company conducted field reconnaissance and sampling programs and compiled a report of the findings, confirming the presence of mineralizing events with copper and gold content. The project area also has a number of magnetic anomaly exploration targets.

During the nine months ended December 31, 2011 the Company concluding a three month field program of mapping and sampling utilizing a team of students from the University of Manizales. The Company is discussing options for joint venture partners on the project.

Caicedo

The Caceido project consists of one contract of concession of 3,156.4 hectares registered at the RNM, and one application, without technical study, totaling 1,067.4 hectares. The project is located 52 kilometers northwest of Medellin in the Department of Antioquia. The property is located along the Middle Cauca Porphyry Belt adjacent to a number of well-defined porphyry deposits.

Prior to December 31, 2011, the Company conducted field reconnaissance and sampling programs and compiled a report of the findings, which confirms the presence of porphyritic intrusive bodies and mineralization in the area. No further technical work was conducted during the nine months ended December 31, 2011.

The Company has entered into a non-binding LOI with Trident Gold Corp. to form a joint venture to explore these lands.

Gavia

The Gavia project totals 2,887 hectares in four applications for concessions with defined technical studies, and registration in the RNM is pending. The project is located 90 kilometers south of Medellin and 43 kilometers northwest of Manizales in the Department of Caldas. The property is located along the Middle Cauca Porphyry Belt adjacent to a number of well-defined porphyry deposits.

Prior to December 31, 2011, the Company compiled a report of the findings, confirming there are number of artisanal mines located on the project area and reports of ten vein mines, six disseminated mines and one alluvial mine. No further technical work was conducted during the nine months ended December 31, 2011.

The Company is currently in negotiations with local communities and land owners for access to the license area.

Jerico

The Jerico project totals 3,104 hectares in one contract of concession registered and one application for concession with defined technical studies, and registration in the RNM is pending. The project is located 48 kilometers south of Medellin in the Department of Antioquia. The property is located along the Middle Cauca Porphyry Belt adjacent to a number of well-defined porphyry deposits.

Prior to December 31, 2011, the Company conducted field reconnaissance and sampling programs and compiled a report of the findings. The area is characterized by important metallogenic characteristics, magmatic activity and structures related to andacitic and dacitic porphyry. Outcrop is limited in the area, so exploration will rely heavily on geophysical techniques initially. No further technical work was conducted during the nine months ended December 31, 2011.

An exploration plan and budget has been prepared for 2012 and the Company is discussing options for joint venture partners on the project.

Aquadas

The Aquadas project totals 371 hectares in one contract of concession and two applications for concessions with defined technical studies awaiting registration in the RNM. The project is located 70 kilometers southeast of Medellin in the Department of Antioquia. The property is located along the Middle Cauca Porphyry Belt adjacent to a number of well-defined porphyry deposits.

Canas Gordas

The Canas Gordas project totals 1,942 hectares in one contract of concession. The project is located approximately 115 kilometres northwest of Medellin towards the north end of the Middle Cauca Porphyry Belt, about 10 kilometres west of Buritica. Canas Gordas was added to the strategic properties during the year ended December 31, 2011.

During the nine months ended December 31, 2011 the Company conducted a field reconnaissance and sampling program at Canas Gordas and is in the process of interpreting and compiling a report of the findings.

The Company will continue to seek out other mineral exploration opportunities throughout Colombia.

Liquidity and Capital Resources

The Company's available resources consist of cash remaining from previous financing activities, accounts receivable, GST receivable and prepaid expenses, which totaled $1,837,109 on December 31, 2011 (March 31, 2011 - $7,559,588).

The Company had working capital of $1,364,136 as at December 31, 2011 (March 31, 2011 - $7,108,110). The working capital results from cash generated from equity financing activities and the use of that capital in exploration programs. Equity financings brought in gross cash of $10,807,737 in the year ended March 31, 2011 and $5,867,741 in the year ended March 31, 2010. There were no equity financings during the nine month period ended December 31, 2011.

The Company manages capital based on its cash and cash equivalents and ongoing working capital while maximizing funds invested in exploration and development activities, exploring for and developing gold resources, and considering additional financings which minimize shareholder dilution. There were no changes in the Company's approach to capital management...

The Company's capital structure reflects a focus on mineral exploration and financing and includes both internal and external growth opportunities. The exploration for and development of mineral deposits involves significant risk. Even a combination of careful evaluation, experience and knowledge may not adequately mitigate the inherent risk involved in mineral exploration.

The Company manages capital in proportion to risk and manages the mineral properties and capital structure based on economic conditions and prevailing gold commodity pricing and trends. The Company relies on equity financings to maintain adequate liquidity to support its ongoing exploration and development activities and ongoing working capital commitments. Management believes that the Company currently has sufficient cash and cash equivalents for the Company to meet its ongoing current obligations. Additional financing may be required in order to meet longer term obligations and for any significant contracts which may be entered into in the future.

The Company has not earned significant revenues to date and is considered to be in the exploration stage. As a result, the most meaningful information concerning the Company's financial position relates to its liquidity and solvency position. The Company raises funds for its operations primarily through the issuance of common shares but when deemed appropriate will entertain alternate financing that does not warrant issuance of common shares.

Financing Activities

As at December 31, 2011 the Company had a total of 100,776,326 common shares outstanding.

The Company did not undertake any equity financings during the nine month period ended December 31, 2011. The Company is currently reviewing financing opportunities for 2012.

Off-Balance Sheet Arrangements

There are no off-balance sheet arrangements as at December 31, 2011, nor have any such arrangements been entered into by the Company as of the date of this MD&A.

Transactions with Related Parties

Transactions with related parties are incurred in the normal course of business and are measured at the exchange amount which is the amount of consideration established and approved by the related parties. Related Parties are the Directors and Officers of the Company. The Related Parties provided services are outlined below;

	Dec 31, 2011	Mar 31, 2011
Management fees [1]	$313,702	$217,781
Exploration costs [2]	$162,000	$90,000
Professional fees [3]	$44,000	$44,902
Stock options issued to officers and directors	3,475,000	–
Common shares issued to officers and directors	–	–

1 Paid to companies owned by three officers of the Company. There was $39,674 in accounts payable and accrued liabilities at December 31, 2011 ($35,436 at March 31, 2011).

2 Paid to a company owned by an officer of the Company. There was $19,000 in accounts payable and accrued liabilities at December 31, 2011 ($15,000 at March 31, 2011).

3 Paid to the relative of an employee of the General Manager of AGD Ltd. (Colombia). There was $3,712 in accounts payable and accrued liabilities at December 31, 2011 ($1,968 at March 31, 2011).

Critical Accounting Estimates

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

The effect of a change in an accounting estimate is recognized prospectively by including it in comprehensive income in the period of the change, if the change affects that period only, or in the period of the change and future periods, if the change affects both.

Information about critical judgments in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the consolidated financial statements within the next financial year are discussed below:

Rehabilitation provisions

Rehabilitation provisions are based on internal estimates. Assumptions, based on the current economic environment, are made which management believes are a reasonable basis upon which to estimate the future liability. These estimates take into account any material changes to the assumptions that occur when reviewed regularly by management. Estimates are reviewed annually and are based on current regulatory requirements. Significant changes in estimates of contamination, restoration standards and techniques will result in changes to provisions from period to period. Actual rehabilitation costs will ultimately depend on future market prices for the rehabilitation costs which will reflect the market condition at the time the rehabilitation costs are actually incurred. The final cost of the recognized rehabilitation provisions may be higher or lower than currently provided for.

Exploration and evaluation expenditure

The application of the Company's accounting policy for exploration and evaluation expenditure requires judgment in determining whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. If, after expenditure is capitalized, information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalized is written off in the profit or loss in the period the new information becomes available.

Title to mineral property interests

Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

Income taxes

Significant judgment is required in determining the provision for income taxes. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Company recognizes liabilities and contingencies for anticipated tax audit issues based on the Company's current understanding of the tax law. For matters where it is probable that an adjustment will be made, the Company records its best estimate of the tax liability including the related interest and penalties in the current tax provision. Management believes they have adequately provided for the probable outcome of these matters; however, the final outcome may result in a materially different outcome than the amount included in the tax liabilities.

In addition, the Company recognizes deferred tax assets relating to tax losses carried forward to the extent there are sufficient taxable temporary differences (deferred tax liabilities) relating to the same taxation authority and the same taxable entity against which the unused tax losses can be utilized. However, utilization of the tax losses also depends on the ability of the taxable entity to satisfy certain tests at the time the losses are recouped.

Share-based payment transactions
The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 8(d).

Risks and Uncertainties

The Company's principal activity is mineral exploration and development. Companies in this industry are subject to many and varied kinds of risks, including but not limited to, environment risks, changes in metal prices, and political and economical uncertainties.

The Company has no significant source of operating cash flow and no revenue from operations. The Company has not determined whether its mineral properties contain mineral reserves that are economically recoverable. The Company has limited financial resources. Substantial expenditures are required to be made by the Company to establish reserves.

The property interests that the Company has or has an option to earn an interest in are in the exploration stages only. Currently there are no confirmed, bodies of commercial mineralization and there are no ongoing mining operations. Mineral exploration involves a high degree of risk. There are few properties that are explored, and ultimately developed into producing mines. Exploration of the Company's mineral properties may not result in any discoveries of commercial bodies of mineralization. If the Company's efforts do not result in any discovery of commercial mineralization, the Company must look for other exploration projects or cease operations.

The Company may be subject to risks which could not reasonably be predicted in advance. Events such as labour disputes, environmental issues, natural disasters or estimation errors are prime examples of industry related risks. Since the Company operates in Colombia, it is subject to political and other risks associated with operating in a foreign jurisdiction.

The Company is in the business of metals exploration and as such, its prospects are largely dependent on movements in the price of various metals. Prices fluctuate on a daily basis and are affected by a number of factors well beyond the control of the Company. The mineral exploration industry in general is a competitive market and there is no assurance that, even if commercial quantities of proven and probable reserves are discovered, a profitable market may exist. Due to the current grassroots nature of its operations, the Company does not enter into price hedging programs.

The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous material and other matters.

Evaluation of Disclosure Controls

The Company has basic internal controls in place. Management continues to develop a more comprehensive system of internal controls and disclosure controls to achieve its business plans as the Company grows and evolves.

Share Data

The authorized capital of the Company consists of an unlimited number of common shares. As at December 31, 2011 and the date of this report there were 100,776,326 common shares issued and outstanding.

As at December 31, 2011 and the date of this report there were 848,967 warrants outstanding.

As at December 31, 2011 and the date of this report there were 8,530,850 stock options outstanding**.**

Other

- The Company has taken initiatives to re-organize certain personnel functions in Colombia. Mr. Ian Fraser, Chief Geologist, will be leading the 2012 exploration and drilling program. Mr. Brad Van Den Bussche will lead the Company in its pursuit of new areas for development, including the seven properties of merit in the Cauca Belt. Accordingly, his title was changed from VP, Exploration to VP, Business Development effective April 2, 2012.

- Mr. German Gurrerro Guzman resigned as Country Manager, Colombia, effective March 15, 2015. Mr. Rick Thibault, President and CEO moved to Colombia effective April 2, 2012 and will oversee the operations in Colombia.

- The Company hired an internal investor relations consultant, Helen Bilhete, on November 1, 2011. A review of the Company's needs was conducted and both parties determined that an internal investor relations consultant was not necessary and Ms. Bilhete will no longer provide services to the Company after April 30, 2012.

- The Company entered into a purchase agreement on February 16, 2012 to buy used major plant equipment for future operations in Colombia.

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- In December 2010, the Company was served an action started by a former consultant. As at December 31, 2011 legal counsel has determined the action is without merit and the action is being defended.