

ANTIOQUIA GOLD INC.
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED JUNE 30, 2010 AND 2009

UNAUDITED

ANTIOQUIA GOLD INC.
(A DEVELOPMENT STAGE COMPANY)

June 30, 2010

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

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

The accompanying unaudited interim financial statements of the Company have been prepared by management and approved by the Audit Committee and Board of Directors of the Company.

The Company's independent auditors have not performed a review of these financial statements.

ANTIOQUIA GOLD INC.
(A Development Stage Company)
INTERIM CONSOLIDATED BALANCE SHEET
as at

	June,30, 2010 (Unaudited)	March 31, 2010 (Audited)
Assets		
Current		
Cash and cash equivalents	\$214,424	\$1,664,509
Accounts receivable	88,940	55,223
Notes receivable (Note 9)	198,000	198,000
GST receivable	64,754	57,120
Prepaid expenses	318,841	189,605
	884,959	2,164,457
Equipment	9,306	9,306
Exploration Property (Note 5)	6,518,157	5,152,332
Goodwill (Note4(b))	1,048,507	1,048,507
	\$8,460,929	\$8,374,602
Liabilities		
Current		
Accounts payable and accrued liabilities	\$699,279	\$391,488
Customer deposits	10,274	10,059
	709,553	401,547
Commitments and contingencies (Note 10)		
Shareholders' Equity (Deficiency)		
Share capital (Note 4&8)	7,810,431	7,810,431
Warrants (Note 8)	1,933,505	1,933,505
Contributed surplus (Note 8(d))	833,458	795,678
Deficit	(2,826,017)	(2,566,559)
	7,751,376	7,973,055
	\$8,460,929	\$8,374,602

See accompanying notes to financial statements.

ANTIOQUIA GOLD INC.
(A Development Stage Company)
INTERIM CONSOLIDATED STATEMENTS OF OPERATIONS AND DEFICIT
(Unaudited)

	For the three months ended June 30,		Cumulative from January 19, 2006 to June 30, 2010
	2010	2009	
Revenues:			
Sales	\$57,422	\$-	\$57,422
Interest	453	-	3,717
	57,875	-	61,139
Expenses:			
Consultant fees	88,436	68,926	814,058
Office and general	59,308	1,741	156,104
Stock based compensation	37,780	17,500	825,139
Travel	37,425	2,856	225,370
Sales taxes and fees	25,106	100	50,953
Exploration expenses	21,122	-	164,452
Professional fees	17,461	8,867	216,740
Shareholder information	10,528	625	139,105
Rent	10,480	-	31,286
Foreign exchange	7,613	3,853	47,740
Public company costs	2,074	746	61,169
Interest on loan	-	10,555	134,745
Bank charges and interest	-	229	18,603
Amortization	-	-	1,692
	317,333	115,998	2,887,156
Net loss for the period	259,458	115,998	2,826,017
Deficit, beginning of period	2,566,559	914,535	-
Deficit, end of period	\$2,826,017	\$1,030,533	\$2,826,017
Loss per share, basic	\$(0.004)	\$(0.004)	
Loss per share, fully diluted	\$(0.003)	\$(0.004)	
Weighted average number of shares outstanding	64,683,205	26,151,210	

See accompanying notes to interim financial statements.

ANTIOQUIA GOLD INC.
(A Development Stage Company)
INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	For the three months ended June 30,		Cumulative from January 19, 2006 to June 30, 2010
	2010	2009	
Operating activities			
Net loss for the period	\$(259,458)	\$(115,998)	\$(2,826,017)
Stock-based compensation	37,780	17,500	825,139
Amortization	-		1,692
Change in non-cash working capital	-		
Subscriptions receivable	-	47,500	-
Accounts receivable	(33,717)	-	(33,717)
GST receivable	(7,634)	6,641	(64,754)
Prepaid expenses	(129,236)	-	(318,841)
Accounts payable	308,006	129,804	685,412
Cash provided by (used in) operating activities	(84,259)	85,447	(1,731,086)
Financing activities			
Advances from convertible notes	-		335,212
Notes receivable	-		(198,000)
Advances from shareholders	-	20,529	-
IGTER legal reserve	-		5,303
Issuance of share capital	-	-	6,239,061
Warrants	-		1,550,363
Funds provided by financing activities	-	20,529	7,931,939
Investing activities			
Exploration expenditures	(1,365,825)	(81,336)	(5,678,937)
Investment in IGTER	-	-	(307,491)
Funds used in investing activities	(1,365,825)	(81,336)	(5,986,428)
Net change in cash during the period	(1,450,084)	24,640	214,425
Cash position, beginning of the period	1,664,509	14,259	-
Cash position, end of period	\$214,425	\$38,899	\$214,425

Supplemental cash flow information:

Cash paid for interest	\$-	\$-
Cash paid for income taxes	\$-	\$-

See accompanying notes to financial statements.

ANTIOQUIA GOLD INC.
(A Development Stage Company)
Notes to Consolidated Financial Statements
For the Three Months Ended June 30, 2010

1. Nature of Business

On July 30, 2008, Antioquia Gold Inc. (formerly High American Gold Inc.) (the “Company”) completed a transaction with Am-Ves Resources Inc. (“Am-Ves”) a company which was incorporated under the laws of Alberta on January 19, 2006. The company then owned 100% of the outstanding shares of Am-Ves. This transaction was been accounted for as a reverse takeover as the control of Antioquia Gold Inc. was acquired by the shareholders of Am-Ves. On March 31, 2009 Antioquia Gold Inc. and Am-Ves were amalgamated under the laws of Alberta, and are now one company operating under the name Antioquia Gold Inc. The company owns 100% of Antioquia Gold Ltd., a Barbados company, which in turn has a branch registered to do business in Colombia, South America. All the mineral exploration activities of the company are in Colombia. On December 2, 2009 the company completed the 100% acquisition of Ingenieria Y Gestion Del Territorio S.A. (“IGTER”) a management company incorporated under the laws of Colombia.

The Company is engaged in the acquisition, exploration and development of mineral resource properties internationally, with a current focus in Colombia. The Company considers itself to be in the development stage as it is in the process of exploring its mineral properties and has not yet determined whether they contain reserves that are economically recoverable. The success of the Company’s exploration and development of its mineral properties will be influenced by significant financial risks, legal and political risks, fluctuations in commodity prices and currency exchange rates, varying levels of taxation and the ability of the Company to discover recoverable reserves and to bring such reserves into production on an economic basis. The Company will be required to obtain additional financing to develop its resource properties. While the Company seeks to manage these risks, many of these factors are beyond its control.

2. Going Concern

These consolidated financial statements are prepared in accordance with Canadian generally accepted accounting principles applicable for a going concern, which presumes that the Company will continue realizing its assets and discharging its liabilities in the normal course of business. At June 30, 2010, the Company had a cumulative deficit of \$2,826,017 (2009 – \$1,030,533) and working capital of \$175,406 (2009 deficiency – \$508,021). The Company’s ability to continue as a going concern is dependent upon its ability to attain profitable operations, generate sufficient funds and continue to obtain sufficient capital from investors to meet its current and future obligations. The recoverability of amounts shown for exploration properties is dependent on several factors. These include the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the development of these properties, and future profitable operations or proceeds from disposition of mineral interests.

3. Summary of Significant Accounting Policies

(a) Principles of consolidation

The consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries Antioquia Gold Ltd. and Ingenieria Y Gestion Del Territorio S.A. (“IGTER”)

ANTIOQUIA GOLD INC.
(A Development Stage Company)
Notes to Consolidated Financial Statements
For the Three Months Ended June 30, 2010

3. Summary of Significant Accounting Policies (cont'd)

(b) Cash and cash equivalents

Cash and cash equivalents consists of cash on hand, cash held in a financial institution or investments having a maturity of three months or less at acquisition, that are readily convertible to the contracted amounts of cash.

(c) Revenue recognition

Interest revenue is recognized as earned.

(d) Exploration properties

Exploration properties are stated at cost. Exploration expenditures relating to mining properties in which an interest is retained are deferred and are carried as an asset until the results of the projects are known. If a project is successful, the acquisition cost and related deferred exploration expenditures would be amortized by charges against income from future mining operations. If a project is unsuccessful or if exploration has ceased because continuation is not economically feasible, the cost of the property and the related exploration expenditures are written off.

Exploration expenditures, which are general in nature and cannot be associated with a specific group of mining claims, and general administrative expenses, are written off in the year in which they are incurred.

(e) Impairment of long-lived assets

CICA Section 3063 "Impairment of long-lived assets" requires the Company to assess the impairment of long-lived assets, which consists primarily of resource properties and plant and equipment, whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. Recoverability of assets to be held and used are measured by a comparison of the carrying value of the asset to future undiscounted net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the amount of the impairment is measured by the amount by which the carrying amount of the asset exceeds its fair value.

For the Company, the adoption of CICA Section 3063 has no impact on results of operations previously and currently presented.

(f) Asset retirement obligations

CICA Section 3110 "Asset retirement obligations" requires that the fair value of a liability or an asset retirement obligation be recognized in the period in which it is incurred if a reasonable estimate of fair value can be made. The estimate excludes the residual value of the related assets. The associated retirement costs are capitalized as part of the carrying amount of the long lived assets and amortized over the life of the asset. The amount of liability is subject to re-measurement at each reporting period. This differs from prior practice which involved accruing for the estimated retirement obligation through annual charges to earnings over the estimated life of the property. At the present time, the Company has concluded that there are no asset retirement obligations associated with any of its properties.

ANTIOQUIA GOLD INC.
(A Development Stage Company)
Notes to Consolidated Financial Statements
For the Three Months Ended June 30, 2010

3. Summary of Significant Accounting Policies (cont'd)

(g) Foreign currency translation

Balances denominated in foreign currencies are translated into Canadian dollars as follows:

- i) monetary assets and liabilities at period end rates;
- ii) all other assets and liabilities at historical rates; and
- iii) revenue and expense transactions at the average rate of exchange prevailing during the period.

Exchange gains or losses arising on these transactions are reflected in income in the period incurred.

(h) Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period.

Key areas where management has made complex or subjective judgments includes fair value of certain assets; impairment of exploration property; intangible asset impairment assessments; valuation of warrants; stock-based compensation and contingencies.

(i) Income taxes

Income taxes are accounted for using the future income tax method. Under this method income taxes are recognized for the estimated income taxes payable for the current year and future income taxes are recognized for temporary differences between tax and accounting bases of assets and liabilities and for the benefit of losses available to be carried forward for tax purposes that are likely to be realized. Future income tax assets and liabilities are measured using tax rates expected to be recovered or settled. Tax benefits have not been recorded due to uncertainty regarding their utilization and the amount of future income tax assets recognized is limited to the amount of the benefit that is more likely than not to be recognized.

(j) Stock-based compensation cost

CICA Section 3870 "Stock-based compensation and other stock-based payments" requires that the fair value based method be applied to awards granted to employees. The Company recognizes the stock-based compensation cost related to options granted on the basis of fair value at the date of grant in accordance with the fair value method of accounting for stock-based compensation. The fair value of the option has an offset credit to contributed surplus. If and when the stock options are ultimately exercised, the applicable amounts of contributed surplus are transferred to capital stock.

ANTIOQUIA GOLD INC.
(A Development Stage Company)
Notes to Consolidated Financial Statements
For the Three Months Ended June 30, 2010

3. Summary of Significant Accounting Policies (cont'd)

(k) Income (loss) per share

Basic income (loss) per share is calculated by dividing net income (loss) by the weighted average number of common shares outstanding for the year. Diluted income (loss) per share is calculated by dividing the net income (loss) by the sum of the weighted average number of common shares outstanding and all additional common shares that would have been outstanding if potentially dilutive securities had been issued during the year.

(l) Financial instruments

Held for trading

Financial assets that are held with the intention of generating profits in the near term and derivative contracts that are financial assets, except for a derivative that is a designated and effective hedging instrument, are classified as held for trading. In addition, any other financial assets can be designated by the Corporation upon initial recognition as held for trading. These instruments are subsequently re-measured at fair value with the change in the fair value recognized in net income or expense during the year.

Held to maturity

Financial assets that have a fixed maturity date and which the Corporation has a positive intention and the ability to hold to maturity are classified as held to maturity, which are subsequently re-measured at amortized cost using the effective interest rate method.

Loans and receivables

Loans and receivables are non-derivative financial assets resulting from the delivery of cash or other assets in return for a promise to repay on a specified date, or on demand usually with interest. Loans and receivables are subsequently re-measured at amortized cost using the effective interest rate method.

Available for sale

Available for sale assets are non-derivative financial assets that are either designated in this category or not classified in any of the other categories. Financial assets classified as available for sale are subsequently re-measured if they have quoted market value in an active market. Otherwise, these investments are carried at cost and are written down and recognized in other comprehensive income when impairment is considered that is other than temporary.

ANTIOQUIA GOLD INC.
(A Development Stage Company)
Notes to Consolidated Financial Statements
For the Three Months Ended June 30, 2010

3. Summary of Significant Accounting Policies (cont'd)

Financial liabilities

Held for trading

Financial liabilities that are held with the intention of generating profits in the near term and derivative contracts that are financial liabilities, except for a derivative that is a designated and effective hedging instrument, are classified as held for trading. In addition, any other financial liabilities can be designated by the Corporation upon initial recognition as held for trading. These instruments are subsequently re-measured at fair value with the change in the fair value recognized in net income during the period.

Other financial liabilities

Non-derivative financial liabilities that have not been designated as held for trading are classified as other liabilities, which are subsequently re-measured at amortized cost using the effective interest rate method.

The Corporation has classified its financial instruments as follows:

<u>Financial instrument</u>	<u>Classification</u>
Cash and cash equivalents	Held for trading
Account receivable and GST receivable	Loans and receivables
Notes Receivable	Loans and receivables
Accounts payable and accrued liabilities	Other financial liabilities
Convertible notes	Other financial liabilities
Customer deposits	Other financial liabilities

(m) Related party transactions

All transactions with related parties are in the normal course of business and are measured at the exchange amount.

(n) Property, plant and equipment

Property, plant and equipment are recorded at cost. Amortization per annum is provided as follows:

Office equipment and furniture	10% declining balance
Computer equipment	20% declining balance
Vehicle	20% declining balance

(o) Future accounting changes

CICA Handbook Section 1582 – Business Combinations, replaces CICA Handbook Section 1581 – Business Combinations, and establishes standards for the measurement of a business combination and the recognition and measurement of assets acquired and liabilities assumed. The new standard applies 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. Earlier application is permitted.

ANTIOQUIA GOLD INC.
(A Development Stage Company)
Notes to Consolidated Financial Statements
For the Three Months Ended June 30, 2010

3. Summary of Significant Accounting Policies (cont'd)

CICA Handbook Sections 1601 & 1602

CICA Handbook Section 1601 establishes standards for the preparation of Consolidated Financial Statements.

CICA Handbook Section 1602 establishes the accounting for a non-controlling interest in a subsidiary, in the Consolidated Financial Statements, subsequent to a business combination. The standards apply to interim and annual Consolidated Financial Statements relating to fiscal years beginning on or after January 1, 2011. Earlier adoption is permitted as of the beginning of a fiscal year.

The Corporation is currently assessing the impact of the adoption of these new standards on its consolidated financial statements.

International Financial Reporting Standards (“IFRS”)

In 2006, the Canadian Accounting Standards Board (“AcSB”) published a new strategic plan that will significantly affect financial reporting requirements for Canadian public companies. The AcSB strategic plan outlines the convergence of Canadian GAAP and IFRS over an expected five year transitional period. In February 2008, the AcSB announced that January 1, 2011, is the changeover date for publicly listed companies to use IFRS, replacing Canadian GAAP, affecting interim and annual financial statements relating to fiscal years after this date. These new standards will be applicable as of January 1, 2011. Accordingly, the Corporation’s first consolidated financial statements prepared under IFRS will be presented for its June 30, 2011 first quarter. However, this will also necessitate the restatement of comparative figures for the 2010 comparative period. As such, the Corporation’s effective date of transition will be April 1, 2010.

4. Business Acquisition

(a) Am-Ves Resources Inc. (“Am-Ves”)

On July 30, 2008, the Company completed a transaction which resulted in the acquisition of Am-Ves. This transaction was accounted for as a reverse takeover as the control of the Company was acquired by the shareholders of Am-Ves. The Company’s common shares were listed and commenced trading on the TSX Venture Exchange on August 5, 2008. The following summarizes the fair value of the assets and liabilities assumed in this transaction.

Cash assumed	\$	(18)
Accounts receivable		8,029
Accounts payable and other liabilities assumed		(280,538)
Value assigned to common shares	\$	<u>(272,527)</u>

(b) Ingenieria Y Gestion Del Territorio S.A. (“IGTER”)

During the year end March 31, 2010 the Company completed a transaction which resulted in the acquisition of IGTER, a company incorporated under the laws of Columbia, for US\$300,000 (CDN\$316,110) and 2,000,000 common shares with a total value of \$810,000.

ANTIOQUIA GOLD INC.
(A Development Stage Company)
Notes to Consolidated Financial Statements
For the Three Months Ended June 30, 2010

4. Business Acquisition (cont'd)

The following summarizes the fair value of the assets and liabilities acquired in this transaction:

Cash assumed	\$ 8,620
Accounts receivable	55,223
Exploration property	90,211
Property, plant & equipment	10,998
Accounts payable	(84,433)
Legal reserve	(3,016)
Value assigned to goodwill	<u>1,048,507</u>
Total consideration	<u>\$1,126,110</u>

5. Exploration Property

	Property acquisition - Cash	Property acquisition – Shares	Exploration expenditures	Closing balance
Balance as at March 31, 2009	\$937,925	\$ -	\$989,188	\$ 1,927,113
Transactions during the year	-	649,009	2,576,210	3,225,219
Balance as at March 31, 2010	\$937,925	\$649,009	\$3,565,398	\$5,152,332
Transactions during the year			\$1,365,825	\$1,365,825
Balance as at June 30, 2010	\$937,925	\$649,009	\$4,931,223	\$6,518,157

(a) Guayabito Project

The Company is a mineral exploration company focused on searching out precious metals and other mineral opportunities in Colombia. The Company's principal asset is its Cisneros Project located 70 kilometers northeast of Medellin in the Department of Antioquia, Colombia. The Company's exploration and acquisition activity to date has been focused on geological reconnaissance (mapping and sampling), evaluation of artisanal mining activities in the area, ground geophysics and drilling. On December 21, 2009 the Company released the results of 21 holes in a 30 hole diamond drilling program conducted on the Cisneros project totaling 4,000 meters. These results encountered significant intersections of gold mineralization and will provide a good basis for planning additional drilling. The results of the final nine holes of the program were released on January 25, 2010. At present, the Cisneros Project is considered exploration stage in which no known body of commercial ore has been developed yet. The company is also evaluating other opportunities to expand its portfolio of mineral exploration properties in Colombia.

On October 18, 2007, the Company entered into a purchase option agreement ("Purchase Agreement") to acquire 100% interest of the Guayabito Project (the "Project") located in the Antioquia Department of Colombia. The Cisneros Project consists of 6 contiguous mineral dispositions covering 279 hectares, and is comprised of the Guayabito Property covering 178 hectares, acquired by way of the purchase option agreement, and the La Manuela Property which were part of the purchase option agreement, whereby the Company had the option to acquire

ANTIOQUIA GOLD INC.
(A Development Stage Company)
Notes to Consolidated Financial Statements
For the Three Months Ended June 30, 2010

5. Exploration Property (cont'd)

further lands from private sources, and this option was exercised resulting in the addition of 101 hectares near the Guayabito Property.

The final US\$200,000 owing under the terms of the purchase option agreement will be paid once the 100% ownership is registered with the Colombian National Mining Registry in the name of the Company. (See Note 12(a))

In addition the Purchase Agreement requires the Company to:

- i. Pay out 1.0% in royalties;
- ii. Spend US\$2,000,000 in a comprehensive exploration and development program (“Program”) with the objective of producing a bankable feasibility study that would allow for a mine development decision to be made by December 15, 2011; and
- iii. The final La Manuela Property option payment of US\$65,000 plus interest was paid on September 16, 2009.

(b) Bullet Project

On April 9, 2009 the Company signed a contract with Grupo de Bullet (GDB) for the purchase of 90% interest in certain mining titles in Colombia (5,243 hectares) adjacent to the core Cisneros properties. The terms of the agreement (amended) require the Company to issue 1,062,500 common shares and 531,250 warrants (each warrant entitles holder to purchase 1 additional common share for \$0.40 per share and expires on April 9, 2011), all of which were issued on November 12, 2009. The agreement also requires the Company to incur \$2,000,000 in exploration expenditures by October 9, 2010 on any of the Company’s Cisneros lands. This commitment has been met.

Per the agreement, GDB will have a 10% free carried interest until December 31, 2010 or a Feasibility Study is completed. GDB will have the option to continue in the project by providing 10% of the funds going forward or convert the 10% interest into a 1% NSR.

The Cisneros property has been the primary focus of the company’s exploration activities to date consisting of surface soil and rock geochemistry, structural and alteration mapping, as well as mapping and geochemistry of historic artisanal mine workings in the area. Further work has included ground geophysics and drilling of 4,000 meters of core drilling.

6. Equipment

	2010		2009	
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Equipment	\$ 14,991	\$ 5,685	\$ 9,306	\$ -

ANTIOQUIA GOLD INC.
(A Development Stage Company)
Notes to Consolidated Financial Statements
For the Three Months Ended June 30, 2010

7. Convertible Notes

During the year-end March 31, 2009, the Company borrowed \$337,512 from certain founder shareholders and director, for six month terms, bearing interest at 12% per annum and, subject to regulatory approvals, convertible into units of the Company at a price of \$0.20 per unit, with each unit comprised of one common share and one-half warrant. Each full warrant will entitle the holder to purchase one common share of the Company at a price of \$0.30 for a period of 24 months from date of advance.

During the year ended March 31, 2010, the holders of the loans converted \$317,512 of principal plus \$16,966 of accrued interest for a total of \$334,478 to units of the Company at a revised price of \$0.10 per unit, with each unit comprised of one common share and one-half warrant, where each full warrant entitles the holder to purchase one common share of the Company at a price of \$0.30 per share for 24 months from date of close.

The remaining loans and accrued interest were settled with cash.

8. Share Capital

- a) Authorized
 Unlimited Common shares
- b) Issued

Common shares	Shares	Amounts
Balance, at March 31, 2008	16,573,000	\$ 1,218,000
Issued in private placements for cash:		
July 2008 (i)	7,030,000	1,188,000
Issued on business acquisition (Note 4)	2,548,210	(272,527)
Share issue costs	-	(366,790)
Balance, at March 2009	26,151,210	\$ 1,766,683
Private placement (vi)	8,009,058	800,906
Shares for debt (vii)	2,573,906	257,391
Shares for debt (viii)	666,701	66,670
Shares for debt (ix)	714,423	71,442
Private placement (x)	1,250,000	250,000
Private placement (xi)	3,748,355	749,671
Private placement (xii)	7,142,000	1,785,500
Shares issued for the purchase of property (note 5)	1,062,500	212,500
Shares issued for the purchase of IGTER (note 4)	2,000,000	810,000
Shares issued for the purchase of property	1,029,502	436,509
Exercise of warrants	10,335,551	2,564,395
Exercise of warrants	-	128,142
Warrants issued	-	(1,633,971)
Share issue cost	-	(455,407)
Balance at March 31, 2010	64,683,206	\$7,810,431
Balance at June 30, 2010	64,683,206	\$7,810,431

ANTIOQUIA GOLD INC.
(A Development Stage Company)
Notes to Consolidated Financial Statements
For the Three Months Ended June 30, 2010

8. Share Capital (cont'd)

	March 31, 2010		March 31, 2009	
Warrants				
Opening balance	11,042,050	\$ 255,000	6,536,250	\$ -
Issued:				
July 2008 (i)			3,515,000	218,000
July 2009 (vi)	4,004,529	177,138	-	-
July 2009 (vii)	1,286,953	56,928	-	-
August 2009 (x)	625,000	63,888		
September 2009 (xi)	1,874,178	343,524		
October 2009 (xii)	3,571,000	759,107		
November 2009 (note 5(b))	531,250	181,263		
Exercise of agents options	206,350	52,123		
Agents warrants (i, xi and xii)	830,200	172,676	990,800	37,000
Warrants exercised	(9,922,852)	(128,142)		
Agents options exercised	(420,798)	-		
Warrants expired	(1,179,750)	-		
Balance end of year	12,448,110	\$ 1,933,505	11,042,050	\$ 255,000
Balance as at June 30, 2010	12,448,110	\$ 1,933,505		

- (i) In July 2008, Am-Ves Resources Inc. completed a private placement and a brokered placement whereby 7,030,000 units were issued at \$0.20 per unit. Each unit consisted of one common share and one-half share purchase warrant. Each whole warrant is exercisable at \$0.30 for a period of eighteen months following the closing of the placements. The fair value of the warrants was determined using the Black-Scholes option pricing model with the following assumptions; dividend yield – nil, expected volatility – 89%, risk free rate of return – 2.73% and the weighted average life – 1.5 years.

In connection with the brokered private placement Am-Ves Resources Inc. granted the agents 438,000 warrants exercisable at \$0.20 for a period of eighteen months. The fair value of the broker warrants was determined using the Black-Scholes option pricing model with the following assumptions; dividend yield – nil, expected volatility – 89%, risk free rate of return – 2.73% and the weighted average life – 1.5 years.

- (ii) In March 2008, Am-Ves Resources Inc. completed a private placement whereby 3,072,500 units were issued for gross proceeds of \$614,500. Each Unit was comprised of one common share and one-half warrant (“Am-Ves Warrant”). One Am-Ves Warrant entitled the holder to purchase one Am-Ves common share at a price of \$0.30 for a period of 18 months from issuance.

ANTIOQUIA GOLD INC.
(A Development Stage Company)
Notes to Consolidated Financial Statements
For the Three Months Ended June 30, 2010

8. Share Capital (cont'd)

- (iii) In January 2008, Am-Ves Resources Inc. issued 10,000,000 units (“Units”) at a price of \$0.05 per Unit. Each Unit was comprised of one common share and one-half warrant (“Am-Ves Warrant”). One Am-Ves Warrant entitled the holder to purchase one Am-Ves common share at a price of \$0.20 at the earlier of 24 months from issuance or 18 months from the date of listing of the Am-Ves Resources Inc. shares or the successor company, resulting from the Exchange Agreement, on the TSX Venture Exchange or other Canadian stock exchange.
- As at March 31, 2008 Am-Ves Resources Inc. had issued 10,000,000 units for gross proceeds of \$500,000.
- (iv) On October 30, 2007, Am-Ves Resources Inc. issued 3,000,000 common shares at a price of \$0.001 per share to existing shareholders and new investors. Of the 3,000,000 common shares issued 1,485,000 were issued to directors of Am-Ves Resources Inc.
- (v) On October 17, 2007, Am-Ves Resources Inc. issued 500,000 common shares at a price of \$0.20 to the vendors of the Guayabito Project referred to in Note 5 (vii) “Exploration Property”.
- (vi) On July 25, 2009 the Company issued 8,009,058 units at \$0.10 per unit for cash consideration of \$800,906 where one unit was comprised of one common share and one half of one common share purchase warrant where a full warrant entitles the holder to purchase one additional common share for \$0.30 per share for a period of 24 months expiring on July 25, 2011; There were 4,004,529 warrants issued for this financing.
- (vii) On July 25, 2009 the Company issued 2,573,905 units at \$0.10 per unit for conversion of convertible loans plus accrued interest in the amount of \$257,391 where one unit is comprised of one common share and one half of one common share purchase warrant where a full warrant entitles the holder to purchase one additional common share for \$0.30 per share for a period of 24 months expiring on July 25, 2011; There were 1,286,953 warrants issued for this financing.
- (viii) On July 25, 2009 the Company issued 666,701 common shares at \$0.10 per share for conversion of convertible loans plus accrued interest in the amount of \$66,670;
- (ix) On July 25, 2009 the Company issued 714,423 common shares at \$0.10 per share for conversion of debt owed to certain officers in the amount of \$71,442; and,
- (x) On August 25, 2009 the Company issued 1,250,000 units at \$0.20 per unit for cash consideration of \$250,000 where one unit is comprised of one common share and one half of one common share purchase warrant where a full warrant entitles the holder to purchase one additional common share for \$0.30 per share for a period of 24 months expiring on August 28, 2011. There were 625,000 warrants issued on this financing.

ANTIOQUIA GOLD INC.
(A Development Stage Company)
Notes to Consolidated Financial Statements
For the Three Months Ended June 30, 2010

8. Share Capital (cont'd)

(xi) On September 25, 2009 the Company issued 3,748,355 units at \$0.20 per unit for cash consideration of \$749,671 where one unit is comprised of one common share and one half of one common share purchase warrant where a full warrant entitles the holder to purchase one additional common share for \$0.30 per share for a period of 24 months expiring on September 25, 2011. There were 1,874,178 warrants and 130,000 broker warrants issued in this financing.

(xii) On October 22, 2009 the Company issued 7,142,000 units at \$0.25 per unit for cash consideration of \$1,785,500 where one unit is comprised of one common share and one half of one common share purchase warrant where a full warrant entitles the holder to purchase one additional common share for \$0.40 per share for a period of 24 months expiring on August 28, 2011. There were 3,571,000 warrants and 700,200 broker warrants issued in this financing.

The fair value of the warrants issued in the current year was determined using the Black-Scholes option pricing model with the following assumptions: dividend yield – NIL, expected volatility – 85%, risk free rate of return – 1.19% to 1.37% and the weighted average life – 1.5 to 2 years.

c) Stock Options

The Company has a stock option plan that provides for the issuance to its directors, officers, employees and consultants options to purchase from treasury a number of common shares not exceeding 10% of the common shares that are outstanding from time to time which is the number of shares reserved for issuance under the plan. Options granted under the plan vest at the time of the grant. The options are non-transferable if not exercised. A summary of the status of the Company's stock option plan as at June 30, 2010 and March 31, 2010 and changes during the respective period-ended on those dates is presented below.

Stock Options	June 30, 2010		March 31, 2010	
	Number of options	Weighted average exercise price	Number of options	Weighted average Exercise price
Beginning of year	5,489,780	\$ 0.35	2,350,000	\$ 0.30
Granted	2000,000	0.30	350,000	0.30
Granted		0.30	1,289,780	0.30
Granted		0.49	1,600,000	0.49
Expired		0.30	(100,000)	0.30
End of period	5,689,780	\$ 0.35	5,489,780	\$ 0.35
Exercisable, end of period	5,279,065	\$ 0.36	5,279,065	\$ 0.36

ANTIOQUIA GOLD INC.
(A Development Stage Company)
Notes to Consolidated Financial Statements
For the Three Months Ended June 30, 2010

8. Share Capital (cont'd)

Date of Grant	Number Outstanding	Exercise Price	Weighted Average Remaining Contractual Life	Date of Expiry	Number Exercisable June 30, 2010
Aug 25, 2008	2,250,000	\$0.30	1.15 years	August 5, 2011	2,250,000
Apr 28, 2009	350,000	\$0.30	1.83 years	April 28, 2012	350,000
Sept 22, 2009	868,350	\$0.30	2.23 years	Sept 22, 2012	868,350
Sept 22, 2009	71,430	\$0.30	1.04 years	July 31, 2011	35,715
Sept 22, 2009	350,000	\$0.30	2.17 years	Aug 31, 2012	175,000
Dec 30, 2009	1,600,000	\$0.49	2.50 years	Dec 12, 2012	1,600,000
Apr 12, 2010	200,000	\$0.34	2.78 years	Apr 12, 2013	200,000
Total	5,489,780				5,479,065

- i. On April 28, 2009 350,000 stock options were granted to an officer of the Company.
- ii. On September 22, 2009 868,350 stock options were granted to directors and officers of the Company.
- iii. On September 22, 2009 421,430 stock options were granted to consultants of the company.
- iv. On December 30, 2009 1,600,000 stock options were granted to directors and officers of the Company.
- v. On April 12, 2010 200,000 stock options were granted to consultants and employees of the Company.

The fair value per option was estimated using the Black-Scholes option pricing model with the following assumptions; dividend yield – nil, expected volatility – 85%, risk free rate of return - 1.50% to 2.73% and the weighted average life – 1.5 to 3 years.

d) Contributed Surplus

The following table presents changes in contributed surplus:

	June 30, 2010	March 31, 2010
Balance, beginning of period	\$ 795,678	\$ 157,300
Stock based compensation	37,780	630,059
IGTER – Legal reserve	-	8,319
Balance, end of period	\$ 833,458	\$ 795,678

ANTIOQUIA GOLD INC.
(A Development Stage Company)
Notes to Consolidated Financial Statements
For the Three Months Ended June 30, 2010

9. Related Party Transactions

During the period the Company's directors, officers and companies owned by directors, officers and shareholders performed management, exploration and legal services on behalf of the company. Management and exploration services are provided to the company on a consulting basis by certain directors and officers, with reimbursement of expenses incurred on behalf of the company. Total related party charges (excluding expenses incurred on behalf of the company) for the three months ended June 30, 2010 were \$151,080 and for the year-ended March 31, 2010 were \$518,914 (2009 - \$520,918). The Company was indebted to these related parties at June 30 2010 in the amount of \$50,924 and at March 31, 2010 in the amount of \$57,520 (2009 – \$231,271) on account of services and reimbursement of expenses.

During the year ended March 31, 2010 2,114,423 common shares were issued to officers, directors and relatives of directors for gross proceeds of \$211,332.

During the year ended March 31, 2010 two companies owned by directors exercised warrants for 990,000 common shares for total consideration of \$198,000. As at June 30, 2010 this amount remains outstanding. This amount (comprised of two notes receivable each with a principal balance of \$99,000) shall bear interest at four (4.0%) percent per annum commencing August 1, 2010, with repayments of at least one thousand (\$1,000.00) dollars per month to commence on or before August 31, 2010 and each month thereafter until December 31, 2010 when the total amounts owed are to be paid in full with the payments to be applied against accrued interest first.

During the year ended March 31, 2010 366,649 warrants were issued to officers, directors and relatives of directors.

10. Capital Management

The Company's policy is to maintain a strong capital base with the objectives of maintaining financial flexibility, creditor and market confidence and to sustain the future development of the business. The Company manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. The Company ensures as much as possible that it will have sufficient liquidity to meet liabilities when due. The Company considers its capital structure to include working capital, and common share capital. In order to maintain or adjust the capital structure, the Company may from time to time issue common shares or other securities, sell assets or adjust its capital spending to manage current and projected working capital levels.

	June 30, 2010	March 31, 2010	March 31, 2009
Cash	\$ 214,424	\$1,664,509	\$ 14,259
Other current assets	670,535	499,948	65,994
Accounts payable	(699,279)	(391,488)	(408,097)
Customer deposits	(10,274)	(10,059)	-
Liability component of convertible notes	-	-	(30,000)
Net working capital (deficiency)	175,406	1,762,910	(357,844)
Common share capital	\$ 7,810,431	\$ 7,810,431	\$ 2,021,683

ANTIOQUIA GOLD INC.
(A Development Stage Company)
Notes to Consolidated Financial Statements
For the Three Months Ended June 30, 2010

10. Capital Management (cont'd)

Due to long lead times on several of the Company's exploration and development projects, from time to time the Company secures capital to fund its investments in mineral projects in advance which results in a net working capital balance. As exploration projects progress the Company expects the net working capital balance to significantly decrease from current levels, and additional capital will be required to fund additional projects. If the Company is unsuccessful in raising additional capital the Company may have to sell, farm out or forfeit rights to some or all of its mineral properties. The Company is not subject to externally imposed capital requirements.

11. Financial Instruments

The Company has exposure to the following risks from its use of financial instruments: credit risk, liquidity risk, market risk, foreign currency risk, commodity price risk, interest rate risk and Fair value.

The Board of Directors has overall responsibility for the establishment and oversight of the Company's financial risk management framework and monitors risk management activities.

Management identifies and analyzes the risks faced by the Company and may utilize financial instruments to mitigate these risks.

Credit risk

Cash consist of bank balances and short term deposits maturing in less than 90 days. The Company manages the credit exposure related to short term investments by selecting counterparties based on credit ratings and monitors all investments to ensure a stable return, avoiding complex investment vehicles with higher risk such as asset backed commercial paper. At March 31, 2010 cash deposits were concentrated at one major Canadian bank.

The carrying amount of accounts receivable and cash represents the maximum credit exposure. The Company does not have an allowance for doubtful accounts as at June 30, 2010, and did not provide for any doubtful accounts nor was it required to write off any receivables during the year-ended March 31, 2010 or the year ended March 31, 2009.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's approach to managing liquidity is to ensure, as much as possible, that it will have sufficient liquidity to meet its liabilities when due, under both normal and unusual conditions without incurring unacceptable losses, relinquishment of properties or risking harm to the Company's reputation.

ANTIOQUIA GOLD INC.
(A Development Stage Company)
Notes to Consolidated Financial Statements
For the Three Months Ended June 30, 2010

11. Financial Instruments (cont'd)

The Company prepares annual capital expenditure budgets, which are regularly monitored and updated as considered necessary to provide current cash flow estimates. The Company also utilizes authorizations for expenditures on projects to further manage capital expenditures. To facilitate the capital expenditure program, the Company has raised capital through the issuance of common shares. Additional financing will be required to complete planned capital programs.

The Company's financial liabilities as at June 30, 2010, consist of accounts payable and accrued liabilities and customer deposits.

Market risk

Market risk is the risk that changes in market factors, such as foreign exchange rates, commodity prices, and interest rates will affect the Company's net income or the value of financial instruments. The objective of market risk management is to mitigate risk exposures within acceptable limits, while maximizing returns. The Company currently does not manage market risk.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows will fluctuate as a result of changes in foreign currency exchange rates. The Company is exposed to foreign currency fluctuations as certain transactions are denominated in Colombian Pesos and United States of America dollars. Foreign exchange expense for the three months ended June 30, 2010 was \$7,613 and for the year-ended March 31, 2010 was \$28,234 (2009 - \$11,376).

The Company had no forward exchange rate contracts in place as at or during the year-ended March 31, 2010, nor at June 30, 2010.

Commodity price risk

Commodity price risk is the risk that the fair value or future cash flows will fluctuate as a result of changes in commodity prices. Significant changes in commodity prices can materially impact the Company's financial results. Lower commodity prices can reduce the Company's ability to raise capital. Commodity prices for minerals are impacted by world economic events that dictate the levels of supply and demand.

Interest rate

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. The Company's sensitivity to interest rates is currently immaterial. The Company had no interest rate swaps in place as at or during the period-ended June 30, 2010, however the company has borrowed funds at a fixed interest rate from founder shareholders as described in Note 7 above.

ANTIOQUIA GOLD INC.
(A Development Stage Company)
Notes to Consolidated Financial Statements
For the Three Months Ended June 30, 2010

11. Financial Instruments (cont'd)

Fair Value

Fair value is determined using the following methods and assumptions:

The carrying value of cash and cash equivalents, accounts receivable, GST receivable, accounts payable and accrued liabilities, and customer deposits approximate their fair value due to the relatively short periods to maturity of these instruments.

Amendments to Section 3862 (Financial Instruments – Disclosure)

In 2009, the Canadian Institute of Chartered Accountants (“CICA”) amended Section 3862, Financial Instruments – Disclosures to improve fair value and liquidity risk disclosures. Section 3862 now requires that all financial instruments measured at fair value be categorized into one of three hierarchy levels, described below, for disclosure purposes. Each level is based on the transparency of the inputs used to measure the fair values of assets and liabilities.

Level 1– inputs are unadjusted quoted prices of identical instruments in active markets.

Level 2 – inputs other than quoted prices included in Level 1 that are observable for the comparable asset or liability, either directly or indirectly.

Level 3 – one or more significant inputs used in a valuation technique are unobservable in determining fair values of the instruments

The Corporation’s only instrument that is carried at fair value is cash and cash equivalents and is considered Level 1 in the hierarchy.

12. Commitments and Contingency

The Company has the following commitments under agreements entered into before March 31, 2010:

- (a) Under the terms of a purchase option agreement entered into on October 18, 2007 to acquire a 100% interest in the Guayabito Project, the company is required to make additional cash payments of US\$400,000 of which US\$200,000 was paid on February 23, 2010. The remaining US\$200,000 will be paid once the 100% ownership is registered in the Colombian National Mining Registry in the name of the Company. (See Note 5)
- (b) On March 31, 2009 service contracts were negotiated with two directors and one officer for the period from March 1, 2009 to December 31, 2010 requiring the Company to pay fees of US\$10,000, \$7,500 and \$7,500, respectively, per month plus reimbursement of expenses for up to 10 days of service per month. Days in excess of the 10 days per month will be paid at the rate of US\$1,000, \$800 and \$850, respectively, per day.

In January 2010 these service contracts were amended. The new service contracts are for the period from January 1, 2010 to December 31, 2011 requiring the Company to pay fees of US\$20,000, \$15,000 and \$15,000, respectively, per month plus reimbursement of expenses.

ANTIOQUIA GOLD INC.
(A Development Stage Company)
Notes to Consolidated Financial Statements
For the Three Months Ended June 30, 2010

12. Commitments and Contingency (cont'd)

Effective March 1, 2010 the Company adopted a resolution whereby each non-contracted director be paid a \$1,500 per month fee to be earned at the time that any stock options or warrants are exercised by the director and such fee amounts paid shall not exceed the amount of the exercise.

13. Subsequent Events

- a) Subsequent to the period-end the Company received title to the Guayabito property (see Note 5(a)). The outstanding payments were made upon completion of the financing disclosed below.
- b) In January 2009, the Company entered into an agreement to obtain an option for the transfer of certain mining rights in Columbia. As a result of a recently enacted law in Columbia, mining companies became obligated to pay a claim fee by May 10, 2010 on proposals for any concessions that were subject to certain technical conditions or claim status. Under this option agreement the Company gained control of 31,983 hectares and to retain these concessions and keep them current, Antioquia was required to pay claim fees of US\$270,500. Subsequent to the year-end in May 2010, the Company paid these claim fees.
- c) On August 13, 2010, the Company closed a non-brokered private placement with Desafio Minero S.A.C (the “**Desafio Financing**”) pursuant to which the Corporation issued to Desafio: (i) 12,128,101 Shares of the Company at a price of Cdn. \$0.20 per Share for gross proceeds to the Company of Cdn. \$2,425,620.20; and (ii) a special warrant (the “**Special Warrant**”) at a price of Cdn. \$808,540 that is convertible into 4,042,700 Shares of the Company at no additional consideration upon the receipt of the approval of the Shareholders and the TSXV for Desafio becoming a “control person” (as such term is defined in the policies of the TSXV) of the Company. The Cdn. \$808,540 is currently being held in escrow pending the approval of the Control Person Resolution. If approval for Desafio becoming a “control person” of the Company is not obtained, the escrowed funds will be returned to Desafio.

In connection with the Desafio Financing, the Company also entered into a strategic alliance agreement (the “**Strategic Alliance Agreement**”) with Desafio pursuant to which Desafio has been granted certain rights, including the right to maintain its percentage equity ownership interest in the Company, the ability to nominate at least one director to the Company’s board as long as Desafio’s ownership interest remains above 10%, and a right of first refusal in respect of the sale by the Company of any of its mineral property assets. Desafio will be considered a preferred joint venture partner in any future potential joint ventures especially as they relate to any asset sale or the Company’s 32,000 hectare Strategy Properties portfolio. The Company will be considered by Desafio as a preferred joint venture in future opportunities they develop in Colombia. A copy of the Strategic Alliance Agreement has been filed on SEDAR on August 20, 2010 and can be accessed under the Company’s profile at www.sedar.com. Subsequent to the Desafio Financing and in

ANTIOQUIA GOLD INC.
(A Development Stage Company)
Notes to Consolidated Financial Statements
For the Three Months Ended June 30, 2010

compliance with the terms of the Strategic Alliance Agreement, Mr. Felix Navarro-Grau Hurtado, the General Manager of Desafio, was appointed to the Board.

Desafio has advised the Company that, prior to the Desafio Financing, Desafio owned no Shares or convertible securities of the Company. With the closing of the Desafio Financing, Desafio owns and controls 15.79% of the issued and outstanding Shares of the Company. If the Special Warrant is converted into Shares, Desafio will own and control 19.99% of the issued and outstanding Shares of the Company and as such, in accordance with the policies of the TSXV, shareholder approval is required for Desafio becoming a “control person” of the Company.

Desafio is the exploration arm of Consorcio Minero Horizonte S.A. (“**Horizonte**”), the fifth largest gold producer and second largest underground gold producer in Peru. Horizonte and Desafio are both privately held and controlled by the Navarro-Grau Group in Peru.