



CORO
MINING CORP.

Coro Mining Corp.

(A Development Stage Company)
Consolidated Financial Statements

March 31, 2011

(Unaudited)

(Expressed in U.S. dollars, except where indicated)

Coro Mining Corp.

Consolidated Statement of Financial Position

As at March 31, 2011, December 31, 2010 and January 1, 2010

(Unaudited)

(Expressed in U.S. dollars, except where indicated)

	March 31 2011 \$(000's)	December 31 2010 \$(000's)	January 1 2010 \$(000's)
Assets			
Current assets			
Cash and cash equivalents (note 12)	18,838	7,985	2,116
Accounts receivable and prepaid expenses	100	84	77
Investments (note 8)	2,424	8,979	-
	<u>21,362</u>	<u>17,048</u>	<u>2,193</u>
Property, plant and equipment	649	625	647
Mineral property interests (note 7)	20,729	20,109	16,391
Investments (note 8)	-	-	2,397
	<u>42,740</u>	<u>37,782</u>	<u>21,628</u>
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities	401	579	386
Deferred income taxes	-	276	-
	<u>401</u>	<u>855</u>	<u>386</u>
Shareholders' equity (note 9)			
Common Shares	49,630	42,090	37,682
Contributed Surplus	3,112	3,266	2,694
Accumulated other comprehensive income	855	331	-
Deficit	(11,258)	(8,760)	(19,134)
	<u>42,339</u>	<u>36,927</u>	<u>21,242</u>
	<u>42,740</u>	<u>37,782</u>	<u>21,628</u>

Commitments (notes 7 and 14)

Approved by the Board of Directors

Director

Director

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

Coro Mining Corp.

Consolidated Statements of Loss (Income) and Deficit For the three months ended March 31, 2011 and 2010 (Unaudited)

(Expressed in U.S. dollars, except where indicated)

	March 31 2011 \$(000's)	March 31 2010 \$(000's)
Expenditures		
Exploration expenditures (note 5)	245	234
Other expenses (income)		
Corporate costs	297	139
Share-based payments	871	80
Depreciation and amortization	3	5
Foreign exchange loss	124	22
Realized gain on disposal of shares & warrants (note 8)	(4,805)	-
Unrealized loss on held-for-trading investment (note 8)	6,065	(11)
Finance income	(21)	(2)
	<u>2,534</u>	<u>233</u>
Loss before tax and equity earnings	2,779	467
Deferred income tax expense (recovery)	(281)	-
Equity & dilution losses (note 8)	-	175
	<u>2,498</u>	<u>642</u>
Loss for the period		
	<u>2,498</u>	<u>642</u>
Basic and diluted loss per share (\$ per share)	\$0.02	\$0.01
Weighted average shares outstanding (000's)	128,830	91,183

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

Coro Mining Corp.

Consolidated Statement of Comprehensive Loss (Income)

For the three months ended March 31, 2011 and 2010

(Unaudited)

(Expressed in U.S. dollars, except where indicated)

	March 31 2011 \$(000's)	March 31 2010 \$(000's)
Loss for the period	2,498	642
Other comprehensive loss (income)		
Foreign currency translation adjustment	(524)	(28)
Comprehensive loss for the period	<u>1,974</u>	<u>614</u>

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

Coro Mining Corp.

Consolidated Statements Shareholders' Equity

For the three months ended March 31, 2011 and 2010

(Unaudited)

(Expressed in U.S. dollars, except where indicated)

	Common shares					
	No. of shares	Amount	Deficit	Contributed Surplus	AOCI	Shareholders' equity
	#	\$(000's)	\$(000's)	\$(000's)	\$(000's)	\$(000's)
Balance – January 1, 2010	90,566,409	37,682	(19,135)	2,694	-	21,241
Warrants exercised	800,454	167	-	(30)	-	137
Options exercised	40,000	-	-	-	-	-
Share-based payments (note 10)	-	-	-	91	-	91
Comprehensive income (loss)	-	-	(642)	-	28	(614)
Balance – March 31, 2010	91,406,863	37,849	(19,777)	2,755	28	20,855
Balance – January 1, 2011	105,846,863	42,090	(8,760)	3,266	331	36,928
Warrants exercised	27,233,182	6,785	-	(1,301)	-	5,484
Options exercised	1,000,000	755	-	-	-	755
Share-based payments (note 10)	-	-	-	1,147	-	1,147
Comprehensive income (loss)	-	-	(2,498)	-	524	(1,974)
Balance – March 31, 2011	134,080,045	49,630	(11,258)	3,112	855	42,339

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

Coro Mining Corp.

Consolidated Statement of Cash Flow

For the three months ended March 31, 2011 and 2010

(Unaudited)

(Expressed in U.S. dollars, except where indicated)

	March 31 2011 \$(000's)	March 31 2010 \$(000's)
Cash flows from operating activities		
Loss for the period	(2,498)	(642)
Items not affecting cash		
Depreciation and amortization	3	5
Unrealized gain on held-for-trading investments (note 8)	6,065	-
Gain on disposal of shares and warrants (note 8)	(4,805)	-
Deferred income tax expense	(281)	-
Equity & dilution losses (note 8)	-	175
Share-based payment expense	871	80
	<u>(645)</u>	<u>(382)</u>
Change in non-cash operating working capital		
Increase in accounts receivable & prepaids	(16)	27
Decrease in accounts payable & accruals	31	(5)
	<u>(630)</u>	<u>(360)</u>
Cash flows from financing activities		
Issuance of common shares (net of issue costs)	6,239	137
	<u>6,239</u>	<u>137</u>
Cash flows from investing activities		
Proceeds from sale of shares	5,508	-
Property, plant and equipment	(27)	-
Mineral property interests	(545)	(114)
	<u>4,936</u>	<u>(114)</u>
Effect of exchange rate changes on cash	308	28
Increase in cash and cash equivalents	10,853	(309)
Cash and cash equivalents - beginning of period	<u>7,985</u>	<u>2,116</u>
Cash and cash equivalents - end of period	<u>18,838</u>	<u>1,807</u>

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

Coro Mining Corp.

Notes to Consolidated Interim Financial Statements

For the three months ended March 31, 2011 and 2010

(Unaudited)

(Expressed in U.S. dollars, except where indicated)

1 Nature of operations

Coro Mining Corp. (the “Company” or “Coro”) and its subsidiaries are engaged in the exploration and development of base and precious metal projects in the Latin American countries of Chile and Argentina. The Company was incorporated on September 22, 2004 and commenced activities in 2005. The Company’s registered office is in Vancouver, British Columbia, Canada.

2 Basis of Preparation and First-Time Adoption of IFRS

The Company prepares its financial statements in accordance with Canadian generally accepted accounting principles as set out in the Handbook of the Canadian Institute of Chartered Accountants (“CICA Handbook”). In 2010, the CICA Handbook was revised to incorporate International Financial Reporting Standards (“IFRS”), and require publicly accountable enterprises to apply such standards effective for years beginning on or after January 1, 2011. Accordingly, the Company has commenced reporting on this basis in these condensed interim consolidated financial statements. In these financial statements, the term “Canadian GAAP” refers to Canadian GAAP before the adoption of IFRS.

These interim consolidated financial statements have been prepared in accordance with IFRS applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting (“IAS 34”) and IFRS 1, First-Time Adoption of International Financial Reporting Standards (“IFRS 1”). Subject to certain transition elections disclosed below, the Company has consistently applied the same accounting policies in the opening IFRS balance sheet as at January 1, 2010 and throughout all periods presented, as if these policies had always been in effect. Note 15 discloses the impact of the transition to IFRS on the reported balance sheet, comprehensive income and cash flows, including the nature and effect of significant changes in accounting policies from those used in our consolidated financial statements for the year ended December 31, 2010.

The policies applied in these consolidated financial statements are presented in Note 4 and are based on IFRS issued and outstanding as of June 8, 2011, the date the Audit Committee approved the financial statements. Any subsequent changes to IFRS that are given effect in the Company’s annual consolidated financial statements for the year ending December 31, 2011 could result in restatement of these interim consolidated financial statements, including the transition adjustments recognized on change-over to IFRS.

The condensed interim consolidated financial statements should be read in conjunction with the Company’s Canadian GAAP annual financial statements for the year ended December 31, 2010.

The Company applied IFRS 1 in preparing these first IFRS consolidated interim financial statements. The effects of the transition to IFRS on equity, total comprehensive income and cash flows are presented in Note 15. IFRS 1, which governs the first-time adoption of IFRS, generally requires accounting policies to be applied retrospectively to determine the opening balance sheet on our transition date of January 1, 2010, and allows certain exemptions on the transition to IFRS.

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Notes to the Consolidated Financial Statements

For the three months ended March 31, 2011 and 2010

(Unaudited)

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3 Future accounting pronouncements

The IASB has issued the following standards which have not yet been adopted by the Company: IFRS 9, Financial instruments - Classification and Measurement (“IFRS 9”), IFRS 10, Consolidated Financial Statements (“IFRS 10”), IFRS 11, Joint Arrangements (“IFRS 11”), IFRS 12, Disclosure of Interests in Other Entities (“IFRS 12”), IAS 27, Separate Financial Statements (“IAS 27”), IFRS 13, Fair Value Measurement (“IFRS 13”) and amended IAS 28, Investments in Associates and Joint Ventures (“IAS 28”). Each of the new standards is effective for annual periods beginning on or after January 1, 2013 with early adoption permitted. The Company has not yet begun the process of assessing the impact that the new and amended standards will have on its financial statements or whether to early adopt any of the new requirements.

The following is a brief summary of the new standards:

IFRS 9 – Financial instruments - classification and measurement

The first sentence of the IFRS 9 language should read - as follows: This is the first part of a new standard on classification and measurement of financial assets and financial liabilities that will replace IAS 39, Financial Instruments: Recognition and Measurement. IFRS 9 has two measurement categories: amortized cost and fair value. All equity instruments are measured at fair value.

IFRS 10 – Consolidation

IFRS 10 requires an entity to consolidate an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Under existing IFRS, consolidation is required when an entity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. IFRS 10 replaces SIC-12 Consolidation—Special Purpose Entities and parts of IAS 27 Consolidated and Separate Financial Statements.

IFRS 11 - Joint Arrangements

IFRS 11 requires a venturer to classify its interest in a joint arrangement as a joint venture or joint operation. Joint ventures will be accounted for using the equity method of accounting whereas for a joint operation the venturer will recognize its share of the assets, liabilities, revenue and expenses of the joint operation. Under existing IFRS, entities have the choice to proportionately consolidate or equity account for interests in joint ventures. IFRS 11 supersedes IAS 31, Interests in Joint Ventures, and SIC-13, Jointly Controlled Entities—Non-monetary Contributions by Venturers.

IFRS 12 – Disclosure of Interests in Other Entities

IFRS 12 establishes disclosure requirements for interests in other entities, such as joint arrangements, associates, special purpose vehicles and off balance sheet vehicles. The standard carries forward existing disclosures and also introduces significant additional disclosure requirements that address the nature of, and risks associated with, an entity’s interests in other entities.

IFRS 13 - Fair Value Measurement

IFRS 13 is a comprehensive standard for fair value measurement and disclosure requirements for use across all IFRS standards. The new standard clarifies that fair value is the price that would be received to sell an asset, or paid to transfer a liability in an orderly transaction between market participants, at the measurement date. It also establishes disclosures about fair value measurement. Under existing IFRS, guidance on measuring and

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(Unaudited)

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3 Future accounting pronouncements (continued)

disclosing fair value is dispersed among the specific standards requiring fair value measurements and in many cases does not reflect a clear measurement basis or consistent disclosures.

Amendments to Other Standards

In addition, there have been amendments to existing standards, including IAS 27 and IAS 28. IAS 27 addresses accounting for subsidiaries, jointly controlled entities and associates in non-consolidated financial statements. IAS 28 has been amended to include joint ventures in its scope and to address the changes in IFRS 10 to 13.

4 Significant accounting policies

Principles of consolidation

The consolidated financial statements include the assets, liabilities and results of the Company and its subsidiaries. The effects of transactions between entities in the consolidated group are eliminated. Where control of an entity is obtained during a financial year, its results are included in the consolidated statements of income (loss), comprehensive loss and deficit from the date on which control commences. Where control of an entity ceases during a financial year, its results are included for that part of the year during which control exists.

Estimates, risks and uncertainties

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the amounts reported and disclosed in the financial statements and the accompanying notes. Actual results could differ from those estimates.

Realization of the Company's assets and liabilities is subject to risks and uncertainties, including reserve and resource estimation, future copper and other base and precious metal prices, estimated costs of future production, changes in government legislation and regulations. Investment valuation estimated future income taxes, and the availability of financing and various operational factors.

Foreign currency translation

The functional currency of the parent company, Coro Mining Corp., is the Canadian dollar. The functional currency of the Company's Chilean and Argentinian's subsidiaries is the US dollar. The reporting currency of the Company is the US dollar. The financial statements of the parent company are translated into US dollars for presentation purposes as follows: assets and liabilities at the closing rate at the date of the consolidated statements of financial position, income and expenses at the average rate of the period (as this is considered a reasonable approximation to actual rates) and shareholders' equity components at historical rate. All resulting changes are recognized in other comprehensive income as cumulative translation adjustments ("CTA").

Transactions in currencies other than the functional currency of an entity are recorded at the rate of exchange prevailing on the date of the transaction. Monetary assets and liabilities that are denominated in foreign currencies are translated at the rate prevailing at each reporting date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date the fair value was determined. Non-monetary items that are measured at historical cost in a foreign currency are translated at the exchange rate on the date of the transaction. Foreign currency translation differences are recognized in profit or loss, except for differences on the retranslation of available-for-sale equity investments which are recognized in other comprehensive income.

Coro Mining Corp.

Notes to the Consolidated Financial Statements

For the three months ended March 31, 2011 and 2010

(Unaudited)

(Expressed in U.S. dollars, except where indicated)

4 Significant accounting policies (continued)

Financial Instruments

a) Cash and cash equivalents

Cash and cash equivalents comprise cash at banks, cash on hand and other short-term investments with initial maturities of less than three months. Cash and cash equivalents are classified as loans and receivables.

b) Derivative instruments

Derivative instruments, including warrants to purchase shares of other companies, are held for trading and recorded on the balance sheet at fair value. Changes in fair value are recorded in the consolidated statement of loss and deficit.

c) Investments

Investments in public company shares are held for trading and measured at fair value on the balance sheet. Gains or losses are recognized in net income for the year in which it arises.

d) Accounts receivable

Accounts receivable are classified as “loans and receivables” and are recorded at amortized cost using the effective interest rate method, which upon their initial measurement is equal to their fair value. Subsequent measurement of receivables is at amortized cost.

e) Accounts payable

Accounts payable and accrued liabilities are classified as “other financial liabilities” and are measured at amortized cost using the effective interest rate method.

Investments

Investments in companies over which Coro has significant influence are accounted for using the equity method of accounting. Prior to November 2010, the Company equity accounted for its interest in Valley High Ventures Ltd. (“Valley High”) but after the disposition of shares in November 2010, the Company accounts for this investment as held-for-trading and revalues its shares in Levon Resources Ltd. (“Levon”) to market each quarter. Levon acquired Valley High in March 2011.

Property, plant and equipment

Property, plant and equipment are recorded at cost less accumulated depreciation and amortization. Depreciation is calculated over the estimated useful lives of the assets. Vehicles are depreciated on a straight-line basis over 5 years. Computer equipment is depreciated on a declining balance basis at a rate of 45%.

Exploration and Evaluation Costs

Exploration and evaluation costs include costs to acquire the rights to explore, geological studies, exploratory drilling and sampling and directly attributable administrative costs. Exploration and evaluation costs relating to non-specific projects or properties or those incurred before the Company has obtained legal rights to explore an area are expensed in the period incurred.

Exploration and evaluation costs are recognized as mineral property interests when management has established that a resource exists or that the costs can be economically recovered. Once the technical feasibility and commercial viability of the extraction of resources from a particular mineral property has been determined, exploration and evaluation assets are reclassified to mine properties within property, plant and equipment.

Coro Mining Corp.

Notes to the Consolidated Financial Statements

For the three months ended March 31, 2011 and 2010

(Unaudited)

(Expressed in U.S. dollars, except where indicated)

4 Significant accounting policies (continued)

Proceeds from the sale of properties or cash proceeds received from option payments are recorded as a reduction of the related mineral property interest.

Asset impairment

The Company performs impairment tests on mineral properties, when events or circumstances occur which indicate the assets may not be recoverable. Impairment assessments are carried out on project by project basis with each project representing a single cash generating unit. When impairment indicators are identified, and impairment loss is recognized for any amount by which the asset's carrying value exceeds its recoverable amount. The recoverable amount is the higher of the asset's fair value less costs to sell and value in use.

Earnings (loss) per share

Earning (loss) per share is calculated using the weighted average number of shares outstanding during the period. Diluted earning (loss) per share is calculated using the treasury stock method whereby all in the money options and warrants are assumed to have been exercised at the beginning of the year and the proceeds from the exercise are assumed to have been used to purchase common shares at the average market price during the period. In periods of loss basic and diluted loss per share are the same, as the effect of the exercise of outstanding options and warrants is anti-dilutive.

Income taxes

Deferred income tax is recognized using the liability method on temporary differences arising between the tax and accounting bases of assets and liabilities as well as for the benefit of losses available to be carried forward to future years. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects either accounting nor taxable profit or loss. Deferred income tax is determined using tax rates that have been enacted or substantively enacted at the balance sheet date.

Deferred income tax assets are recognized only to the extent that it is probable that future profit will be available against which such assets can be utilized.

Share-based payments

The Company applies the fair value method of accounting for stock options granted to employees and others providing similar services. The fair value of options is determined using a Black-Scholes option pricing model that takes into account, as of the grant date, the exercise price, the expected life of the option, the current price of the underlying stock and its expected volatility, expected dividends on the stock, and the risk-free interest rate over the expected life of the option. Cash consideration received from employees on exercise of options is credited to common shares along with the original grant date fair value of the options exercised. The Company expenses the fair value of stock options granted over the vesting period with the corresponding credit to contributed surplus.

Coro Mining Corp.

Notes to the Consolidated Financial Statements

For the three months ended March 31, 2011 and 2010

(Unaudited)

(Expressed in U.S. dollars, except where indicated)

5 Exploration expenditures

For the three months ended March 31, 2011				
\$(000's)	Chacay	Llancahue	General	Total
Administration costs	1	-	87	88
Consulting, labour & professional fees	27	-	36	63
Drilling & trenching	41	-	-	41
Property investigations	29	-	10	39
Property acquisition costs	-	-	-	-
Travel & accommodation	10	-	4	14
Total exploration expenditure	108	-	137	245

For the three months ended March 31, 2010				
\$(000's)	Chacay	Llancahue	General	Total
Administration costs	-	-	62	62
Consulting, labour & professional fees	25	18	15	58
Drilling & trenching	64	-	3	67
Property investigations	28	9	2	39
Property acquisition costs	-	-	-	-
Travel & accommodation	4	-	4	8
Total exploration expenditure	121	27	86	234

Chacay, Chile

The Chacay property is located 12km southeast of Teck Resources Limited's Relincho copper project, and 50km east of the city of Vallenar in the III Region of Chile. The property is subject to a 2% net profits interest.

Llancahue, Chile

The Llancahue property is located near the town of Talca, approximately 300km south of Santiago, Chile.

General, Chile:

General exploration activity in Chile includes non-direct or non-incremental costs associated with any project. Among general exploration the Company also holds the Gloria and Celeste properties in Chile and a number of hectares staked near the town of Talca, in south central Chile.

Coro Mining Corp.

Notes to the Consolidated Financial Statements

For the three months ended March 31, 2011 and 2010

(Unaudited)

(Expressed in U.S. dollars, except where indicated)

6 Property, plant and equipment

In 2006, the Company purchased a surface right covering the San Jorge project. The land was acquired for a total cost of \$537,000. The purchase remains subject to final registration by the Argentine authorities.

7 Mineral property interests

San Jorge \$(000's)	March 31 2011	December 31 2010	January 1 2010
Opening balance	20,109	16,391	14,456
Engineering	-	56	3
Environmental	29	80	140
General & administration ¹	533	1,294	1,032
Geology	58	288	234
Metallurgy	-	-	26
Acquisition costs / options payments	-	2,000	500
Closing balance	20,729	20,109	16,391

¹ Included within mineral property interests is a Value Added Tax ("IVA") receivable in Argentina of \$358,000 (2010: \$547,000). Due to the uncertainty surrounding timing and collectability, the Company views the IVA as a cost of developing the San Jorge project. During 2011, the Company recovered \$218,000 (2010: \$200,000) and credited this amount against development expenditures.

San Jorge, Argentina:

In February 2011 the Company announced the approval of the San Jorge project Environmental Impact Study ("EIS") was approved by the Provincial Government of Mendoza and the resulting Environmental Impact Declaration ("EID") was submitted to the Provincial Legislature for ratification.

In 2006, the Company entered into an option agreement, subsequently amended in June 2008 and January 2009, to purchase 100% of the San Jorge project, by acquiring the outstanding shares of Minera San Jorge. To date, under the option agreement, the Company has paid a total of \$7,500,000 (\$4,000,000 paid in May 2011) in cash and issued a total of 1,000,000 shares. The terms of the agreement require payments as follows: \$5,000,000 in May 2012 and \$5,000,000 in May 2013, less the aggregate deemed value of the 1,000,000 common shares of Coro previously issued. If, after May 10, 2011, the Company completes a bankable feasibility study on either the heap leachable copper resources or the sulphide copper resources, or a combination of both, the Company shall pay the balance of any amounts owing within six months from the date of completion of the bankable feasibility study.

The payments in 2010 and thereafter totalling \$16,000,000 will be treated as an advance payment on either: (a) the existing obligation to pay \$0.02 per pound on the mineable proven and probable copper sulphide reserves upon commencement of commercial production or (b) the existing obligation to pay \$0.025 per pound on the mineable proven and probable heap leachable copper reserves upon commencement of commercial production. In addition, Coro has agreed to pay a net smelter return production royalty of 1.5% on all non-copper production from the San Jorge project.

Coro Mining Corp.

Notes to the Consolidated Financial Statements

For the three months ended March 31, 2011 and 2010

(Unaudited)

(Expressed in U.S. dollars, except where indicated)

7 Mineral property interests (continued)

For any production of copper in excess of that derived from the total mineable, proven and probable heap leachable reserves and the mineable, proven and probable sulphide reserves the Company agreed to pay (i) \$0.015 per pound of copper contained in ore processed by a mill, in excess of the total pounds of copper contained in the mineable, proven and probable sulphide reserves and (ii) \$0.02 per pound of copper contained in ore placed on leach pads, in excess of the total pounds of copper contained in the mineable, proven and probable heap leachable reserves.

8 Investments

\$(000's)	March 31 2011	December 31 2010	January 1 2010
Held for trading – 1,221,053 (2010 - 3,290,353) Levon/Valley High shares	2,266	6,814	-
Held for trading – 152,632 Bearing shares	158	-	-
Derivative Investment – (2010 - 1,525,000) Valley High warrants	-	2,165	343
Valley High equity accounted investment	-	-	2,054
	2,424	8,979	2,397

On March 25, 2011, Levon acquired all of the issued and outstanding shares of Valley High and in return each Valley High shareholder received one Levon share and one-eighth of a share in Bearing Resources Ltd. (“Bearing”).

On March 1, 2011, the Company received CA\$5.4 million in proceeds from the disposition of 2,069,300 Valley High shares at a price of CA\$1.81 and 1,525,000 Valley High warrants at a price of CA\$1.10 in Valley High. In November 2010, the Company sold 5,850,000 common shares of Valley High at a price of CA\$1.10 for gross proceeds of CA\$6,435,000.

Prior to the share disposal in November 2010, the Company had equity accounted for its investment in Valley High.

9 Common shares

Authorized

The Company has an unlimited amount of authorized common shares without par value.

Issued

In June 2010, the Company issued 12,500,000 units at CA\$0.36. Each unit was comprised of one share and one half of a non-transferable warrant. Each whole warrant entitles the holder to purchase one common share of Coro for a period of two years at a price of CA\$0.50 for the first year and CA\$0.65 thereafter. The fair value of the warrants was calculated using the Black-Scholes model assuming an average volatility of 78%, a risk-free rate of 1.45%, a nine-month expected life and no annual dividends.

Coro Mining Corp.

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For the three months ended March 31, 2011 and 2010

(Unaudited)

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10 Share stock options and warrants

The Company has a stock option plan that permits the granting of stock options to directors, officers, key employees and consultants. Terms and pricing of options are determined in accordance with the plan. A total of 10% of the issued and outstanding common shares of the Company may be allotted and reserved for issuance under the stock option plan.

Options

	March 31, 2011		December 31, 2010	
	Number of shares	Weighted average exercise price CA\$	Number of shares	Weighted average exercise price CA\$
Outstanding – December 31	6,360,400	0.41	6,038,733	0.39
Granted	3,260,000	1.45	540,000	0.52
Cancelled	-	-	(83,333)	0.33
Forfeited	-	-	(85,000)	0.15
Exercised	(1,000,000)	0.75	(50,000)	0.15
Outstanding – March 31	8,620,400	0.60	6,360,400	0.41

At March 31, 2011, the following stock options were outstanding:

Number of options Outstanding	Number of options vested and exercisable	Exercise price CA\$	Expiry Date
150,000	150,000	0.50	2011
280,000	280,000	1.50	2011
180,000	180,000	1.50	2012
133,800	133,800	1.40	2013
1,600	1,600	1.36	2013
3,650,000	2,155,000	0.15	2014
425,000	241,667	0.22	2014
490,000	490,000	0.52	2015
50,000	-	0.58	2015
3,260,000	1,086,667	1.45	2016
Total	8,620,400		

The majority of stock options vest over a three year period.

Option and warrant pricing models require the input of highly subjective assumptions including the expected volatility. Changes in the assumptions can materially affect the fair value estimate, and therefore, the existing models do not necessarily provide a reliable measure of the fair value of the Company's stock options.

The following assumptions were used in the Black-Scholes option pricing model to calculate the compensation expense:

	Warrants	Options
Risk-free interest rate	1.27% to 2.7%	0.47% to 4.33%
Options expected life	0.75 to 1.3 years	2 to 4.5 years
Expected volatility	78% to 128%	67% to 96%
Expected dividend	0%	0%

For the three months ended March 31, 2011 total stock-based compensation expense was \$1,147,028 (2010: \$91,018) of which \$275,897 (2010: \$9,210) was capitalized.

Coro Mining Corp.

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For the three months ended March 31, 2011 and 2010

(Unaudited)

(Expressed in U.S. dollars, except where indicated)

10 Share stock options and warrants (continued)

Warrants

	March 31, 2011		December 31, 2010	
	Number of shares	Weighted average exercise price CA\$	Number of shares	Weighted average exercise price CA\$
Outstanding – beginning of period	34,483,181	0.31	30,963,636	0.25
Granted	-		6,249,999	0.50
Exercised	(27,233,182)	0.20	(2,580,454)	0.19
Expired	-		(150,000)	2.50
Outstanding – end of period	7,249,999	0.71	34,483,181	0.31

At March 31, 2011, the following warrants were outstanding:

	Number of Shares outstanding	Exercise price CA\$	Expiry Date
	1,000,000	2.00	27-Aug-2011
	6,249,999	0.50 ⁽¹⁾	1-Jun-2012
Total	7,249,999	0.71	

¹ After June 1, 2010, the exercise price increases to CA\$0.65

11 Related party transactions

For the period ended March 31, 2011, rent and administrative fees of \$69,000 (2010: \$71,000) were charged by Coro to Valley High.

The Company considers the Directors and Officers of the Company to be key management personnel.

	March 31, 2011	March 31, 2010
Short-term employee benefits	225,109	127,898
Share-based payments	1,208,333	254,800
Total key management personnel	1,433,442	382,698

Coro Mining Corp.

Notes to the Consolidated Financial Statements

For the three months ended March 31, 2011 and 2010

(Unaudited)

(Expressed in U.S. dollars, except where indicated)

12 Supplemental cash flow information

Cash and cash equivalents comprise the following:

\$(000's)	March 31, 2011	December 31, 2010
Cash	1,981	575
Cash equivalents	16,857	7,410
	18,838	7,985

13 Geographic segmented information

The following table illustrates the geographic location of the Company's assets.

\$(000's)	Argentina	Canada	Chile	Total
March 31, 2011				
Loss for the period	-	2,237	261	2,498
Non-current assets	21,297	9	72	21,378
Total assets	21,514	20,914	312	42,740
March 31, 2010				
Loss for the period	-	412	230	642
Non-current assets	20,678	4	52	20,734
Total assets	20,746	16,762	274	37,782

14 Commitments

\$(000's)	2011	2012	2013	Thereafter	Total
Lease commitments	27	-	-	-	27
Property option payments ^{1,2}	4,000	5,000	5,000	-	14,000
Total	4,027	5,000	5,000	-	14,027

¹ Excludes royalty payments and net profit interests (refer to note 5 and 7).

² The deemed value of 1,000,000 common shares is deductible from the final payment on San Jorge (refer to note 7 for full details of the option agreement)

Coro Mining Corp.

Notes to the Consolidated Financial Statements

For the three months ended March 31, 2011 and 2010

(Unaudited)

(Expressed in U.S. dollars, except where indicated)

15 First-Time adoption of IFRS

First-time Adoption Exemptions Applied

IFRS 1, which governs the first-time adoption of IFRS, generally requires accounting policies to be applied retrospectively to determine the opening balance sheet on our transition date of January 1, 2010, and allows certain exemptions on the transition to IFRS. The elections we have chosen to apply and that are considered significant to the company include decisions to:

- a) Share-based payments - IFRS 1 permits the application of IFRS 2, Share-based Payments, to equity instruments granted on or before November 7, 2002, that had not vested by the Transition Date. The Company elected to apply IFRS 2 to equity instruments granted after November 7, 2002 that had not vested by January 1, 2010.
- b) CTA - The Company elected to take the IFRS 1 exemption to deem cumulative translation adjustments to be zero at the date of transition to IFRS. Hence all existing CTA balances and the impact of the above adjustments as of January 1, 2010 were recorded against the brought forward deficit.

The following paragraphs explain the significant differences between Canadian GAAP and the current IFRS accounting policies applied by the Company.

i) Mineral property interest

Under Canadian GAAP the Company recognized a deferred income tax liability on temporary differences arising on the initial recognition of mineral properties acquired other than in business combinations. IAS 12, Income Taxes does not permit the recognition of deferred taxes on such transactions. The impact of the de-recognition of the deferred taxes was a reduction of \$1.4 million to the deferred tax liability at January 1, 2010 & March 31, 2010 and \$2.4 million at December 31, 2010. There is also a reduction of mineral property interest of \$1.7 million at January 1, 2010 & March 31, 2010 and \$2.8 million at December 31, 2010. A reversal of foreign exchange gain of \$276,000 at January 1, 2010, \$303,000 at March 31, 2010 and \$358,000 at December 31, 2010 as a portion of the deferred tax liability was denominated in a foreign currency and accordingly had been revalued using the foreign exchange rate at the balance sheet dates.

ii) Functional currency

Under Canadian GAAP the Company determines whether a subsidiary is an integrated operation or a self-sustaining entity which determines the method of translation into the presentation currency of the Group. Under Canadian GAAP the Company's measurement currency was USD dollars. IFRS requires that an entity determine the functional currency of each subsidiary individually, prior to consolidation into the Group's presentation currency. It was determined that, as at the January 1, 2010, the functional currency of Coro Mining Corp. is Canadian dollars and the functional currency of its subsidiaries in Argentina and Chile is the US dollar. In addition, Valley High, in which the Company has an investment, has a Canadian dollar functional currency. The Company elected to take the IFRS 1 exemption to deem cumulative translation adjustments to be zero at the date of transition to IFRS. Hence all existing CTA balances and the impact of the above adjustments as of January 1, 2010 were recorded against the brought forward deficit.

Coro Mining Corp.

Notes to the Consolidated Financial Statements

For the three months ended March 31, 2011 and 2010

(Unaudited)

(Expressed in U.S. dollars, except where indicated)

15 First-Time adoption of IFRS (continued)

Reconciliation of Equity

A reconciliation between the Canadian GAAP and IFRS Equity as at January 1, 2010 (date of transition to IFRS), March 31, 2010 and December 31, 2010 is provided below.

\$(000's)	December 31 2010	March 31, 2010	January 1, 2010
Equity under Canadian GAAP	37,272	21,066	21,385
Foreign exchange movements on future income tax liability (i)	(357)	(306)	(275)
Foreign exchange movements on Valley High investment (ii)	-	80	118
Other	12	15	14
Equity under IFRS	36,927	20,855	21,242

Reconciliation of Total assets

\$(000's)	December 31 2010	March 31, 2010	January 1, 2010
Total assets under Canadian GAAP	40,521	22,817	23,173
Future income tax reversal on Mineral Properties (i)	(2,752)	(1,676)	(1,676)
Foreign exchange movements on Valley High investment (ii)	-	80	118
Other	13	13	13
Total assets under IFRS	37,782	21,234	21,628

Reconciliation of Total Liabilities

\$(000's)	December 31 2010	March 31, 2010	January 1, 2010
Total liabilities under Canadian GAAP	3,250	1,751	1,787
Future income tax reversal (i)	(2,395)	(1,370)	(1,401)
Total liabilities under IFRS	855	381	386

Reconciliation of Total Comprehensive Income

A reconciliation between the Canadian GAAP and IFRS total comprehensive income for the period ended March 31, 2010 and year ended December 31, 2010 is provided below.

\$(000's)	March 31, 2010	December 31 2010
Comprehensive loss (income) under Canadian GAAP	\$543	(\$10,907)
Foreign exchange movements on future income tax (i)	31	84
Foreign exchange movements on Valley High investment	40	(52)
Comprehensive loss (income) under IFRS	\$614	(\$10,875)

Statement of Cash Flows

The IFRS transition adjustments noted above did not have an impact on cash and cash equivalents. There was no change to the investing and financing subtotals on the cash flow statement.