This prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities. No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise.

INITIAL PUBLIC OFFERING August 22, 2008

AMENDED AND RESTATED

PROSPECTUS

AMENDING AND RESTATING THE FINAL PROSPECTUS OF COLUMBUS SILVER CORPORATION DATED MAY 29, 2008

Columbus Silver CORPORATION

Maximum Public Offering: $5,250,000
Minimum Public Offering: $1,600,000
up to: 21,000,000 Units
Price: $0.25 per Unit
Each Unit consisting of one Common Share and one Common Share Purchase Warrant

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Columbus Silver Corporation (the "**Corporation**") hereby qualifies for distribution in British Columbia, Alberta, Saskatchewan and Ontario, a minimum of 6,400,000 Units and up to a maximum of 21,000,000 Units, each of which consists of one common share (a "**Common Share**") and one non-transferable common share purchase warrant (a "**Warrant**") in the capital of the Corporation at a price of $0.25 per Unit (the "**Offering**"). Each Warrant is exercisable to acquire one Warrant Share at a price of $0.70 per Warrant Share until the Expiry Time on the date which is 18 months from the Closing Date. The Warrants will be subject to an acceleration clause whereby if the shares of the Corporation close at or above $1.00 for a period of 20 consecutive trading sessions, the Corporation will have the option to accelerate the expiry date of the Warrants to a date which shall not be less than 7 days after deemed receipt of formal notice from the Corporation.

This Offering is being made to investors resident in British Columbia, Alberta, Saskatchewan and Ontario and jurisdictions outside North America. The Offering Price and terms of this Offering have been determined by negotiation between the Corporation and Union Securities Ltd. (the "**Agent**").

	Number of Units	Price to Public(1)	Agent's Fee(2)	Net Proceeds(3)
Per Unit	1	$0.25	$0.02125	$0.22875
Maximum Offering	21,000,000	$5,250,000	$446,250	$4,803,750
Minimum Offering	6,400,000	$1,600,000	$136,000	$1,464,000

(1) The offering price of the Units was determined by negotiation between the Corporation and the Agent.

(2) The Agent will be paid a cash commission (**"Agent's Fee"**) equal to 8.5% of the gross proceeds from the sale of the Units. As additional consideration, the Agent will be issued non-transferable share purchase warrants ("**Agent's Warrants**") entitling the Agent to purchase that number of common shares that is equal to 10% of the number of Units sold under the Offering, up to a maximum of 2,100,000 Agent's Warrants. Each Agent's Warrant is exercisable to acquire Agent's Warrant Shares at a price of $0.25 per Agent's Warrant Share for a period of 18 months after the final Closing Date. This Prospectus qualifies the issuance of the Agent's Warrants to the Agent. See "Plan of Distribution." The Corporation will also pay to the Agent a corporate finance fee of $25,000 plus GST ("**Corporate Finance Fee**") of which $10,000 plus GST has been paid and the balance of $15,000 plus GST will be paid on the Closing Date. The Corporation will also pay the Agent's expenses in connection with the Offering, for which the Corporation has advanced a retainer of $5,000 to the Agent for its disbursements and expenses. The total estimated cost of the issuance (excluding the Agent's Fee and Corporate Finance Fee) is $120,000.

(3) Before deduction of the Corporate Finance Fee totaling $25,000 and the expenses of the Offering estimated to be $120,000.

The Agent conditionally offers the Units on a commercially reasonable best efforts basis, subject to prior sale, if, as and when issued by the Corporation and delivered and accepted by the Agent in accordance with the conditions contained in the Agency Agreement referred to under "Plan of Distribution," and subject to approval of certain legal matters by Lang Michener LLP on behalf of the Corporation and by Anfield Sujir Kennedy & Durno on behalf of the Agent. Subscriptions will be received subject to rejection in whole or in part and the right is reserved to close the subscription books at any time without notice. The Offering will remain open no longer than 90 days after a receipt is issued for this Amended and Restated Prospectus or in respect of an amendment thereof, and in any event no longer than 180 days from the date of the receipt for the Final Prospectus. If the minimum Offering is not raised, subscription funds will be returned without interest or deduction.

There is no market through which these securities may be sold and purchasers may not be able to resell securities purchased under this Amended and Restated Prospectus. This may affect the pricing of the securities in the secondary market, the transparency and availability of trading prices, the liquidity of the securities, and the extent of issuer regulation. See "Risk Factors". The Corporation has applied to list the Common Shares on the TSX Venture Exchange (the "**TSXV**"). Listing will be subject to the Corporation fulfilling all of the listing requirements of the TSXV, including the distribution of the Corporation's Common Shares to a minimum number of public shareholders and the Corporation meeting certain financial and other requirements. Investment in the Units is speculative due to various factors, including the nature of the Corporation's business. An investment in these securities should only be made by persons who can afford the total loss of their investment. See "Risk Factors."

References to "$" in this Prospectus are to Canadian dollars, unless otherwise indicated. References in this Prospectus to "US$" are to US dollars. No person is authorized to provide any information or to make any representation in connection with the Offering other than as contained in this Prospectus.

The following table sets out securities issuable to the Agent:

	Maximum Number of Securities Available	Exercise Period	Exercise Price
Agent's Warrants Issuable to the Agent – Minimum Offering	640,000 Warrants	18 months from closing	$0.25
Agent's Warrants Issuable to the Agent – Maximum Offering	2,100,000 Warrants	18 months from closing	$0.25

Union Securities Ltd.
#900 - 700 West Georgia St.
Vancouver, BC
V7Y 1H4
Canada
Tel: 604-687-2201
Fax: 604-684-6307

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GLOSSARY

"**Agency Agreement**" means the engagement letter dated October 12, 2007 superseded by formal agreement dated May 29, 2008, between the Agent and the Corporation and amended by letter agreement dated July 29, 2008.

"**Agent**" means Union Securities Ltd.

"**Agent's Warrants**" means the non-transferable share purchase warrants of the Corporation granted to the Agent as described under the heading "Plan of Distribution."

"**Agent's Warrant Shares**" means the Common Shares issuable on exercise of the Agent's Warrants.

"**BCBCA**" means the *Business Corporations Act* (British Columbia).

"**Closing Date**" means such date that the Corporation and the Agent mutually determine to close the sale of the Units of the Corporation offered pursuant to this Prospectus.

"**Columbus Gold**" means Columbus Gold Corporation.

"**Columbus Gold (U.S.)**" means Columbus Gold (U.S.) Corporation, the wholly-owned Nevada subsidiary of Columbus Gold.

"**Columbus Silver (U.S.)**" means Columbus Silver (U.S.) Corporation, the Corporation's wholly-owned Nevada subsidiary.

"**Common Share**" means a common share without par value in the capital of the Corporation.

"**Computershare**" means Computershare Investor Services Inc.

"**Cordex**" means Cordilleran Exploration Company, LLC, the operator that carries out exploration and development activities for the Corporation in the United States.

"**Corporation**" means Columbus Silver Corporation.

"**Expiry Time**" means 5:00 p.m. (Vancouver time).

"Final Prospectus" means the final prospectus of the Corporation, dated May 29, 2008.

"**NSR**" means a net smelter return royalty, based on the gross value of metal in an ore or concentrate, minus costs of transportation, smelting and refining.

"**Offering**" has the meaning ascribed to it on the face page of this Prospectus.

"**Offering Price**" means $0.25 per Unit.

"**Property Note**" means the convertible promissory note dated September 1, 2007 as amended effective July 1, 2008, under which the Corporation is indebted in the principal amount of US$540,465 to Columbus Gold (U.S.), which principal amount may be converted at the election of Columbus Gold (U.S.) into Common Shares at a price per Common Share of $0.50 or, if the Corporation has completed its initial public offering on or before the date of the conversion notice provided by Columbus Gold (U.S.), at a conversion rate equal to the price at which the securities of the Corporation were sold thereunder. The amount owing under the Property Note bears an annual simple interest rate of five percent (5%) and is due and payable on or before August 31, 2010.

“Prospectus” or “Amended and Restated Prospectus” means this Amended and Restated Prospectus of the Corporation, dated August 22, 2008.

“**Securities Commissions**” means the British Columbia Securities Commission, the Alberta Securities Commission, the Saskatchewan Securities Commission and the Ontario Securities Commission.

“Silver Dome Property” means that property consisting of 208 unpatented lode mining claims and two Metalliferous Mineral Leases which are located in west central Utah, approximately 150 miles southwest of Salt Lake City, Utah, as more particularly described under the “Silver Dome Property”.

“Silver Dome Report” means a technical report entitled “Technical Report on the Silver Dome Property, Juab County, Utah, USA” dated February 15, 2008 prepared for the Corporation by Nancy J. Wolverson, C.P.G. in accordance with NI 43-101. The following are the technical terms referred to in the Silver Dome Property Report:

AMR	Advanced Mineral Royalties
BLM	United States Bureau of Land Management
CFR	Code of Federal Regulations (United States Federal Code)
ICP	Inductively Coupled Plasma (geochemical analytical method)
IP	Induced Polarization (Geophysical Method)
NSR	Net Smelter Royalties
SLBM	Salt Lake Base and Meridian
UMC#	Utah Mining Claim Number
USGS	United States Geological Survey
WSA	Wilderness Study Area (not yet classified a Wilderness Area)

“**Stock Option Plan**” means a stock option plan dated December 11, 2007 and amended August 21, 2008 providing for the granting of incentive options to the Corporation’s directors, officers, employees and consultants in accordance with the policies of the TSXV.

“**Subscriber**” means a subscriber for the Units offered under this Offering.

“**TSXV**” means the TSX Venture Exchange.

“**Unit**” means a unit offered under this Offering, consisting of one Common Share and one Warrant.

“**Warrant**” means a non-transferable common share purchase warrant of the Corporation, comprising part of a Unit and exercisable to acquire one Warrant Share at a price of $0.70 per Warrant Share until the Expiry Time on the date which is 18 months from the Closing Date. The Warrants will be subject to an acceleration clause whereby if the common shares of the Corporation close at or above $1.00 on the TSXV for a period of 20 consecutive trading sessions, the Corporation will have the option to accelerate the expiry date of the Warrants by giving, within three business days of the aforesaid trading target being met, written notice to the Agent and the holders of the Warrant of the accelerated expiry date, which accelerated expiry date shall not be less than seven days after the date of deemed receipt of the written notice.

“**Warrant Share**” means a Common Share issuable upon exercise of a Warrant.

“**Working Capital Grid Note**” means the convertible promissory note dated August 14, 2007 as amended effective July 1, 2008, evidencing indebtedness owed by the Corporation to Columbus Gold under the Working Capital Loan. The Working Capital Grid Note is convertible at the election of Columbus Gold into Common Shares at a price per Common Share of $0.50 or, if the Corporation has completed its initial public offering on or before the date of the conversion notice provided by Columbus Gold, at a conversion rate equal to the price at which the securities of the Corporation were sold thereunder.

“**Working Capital Loan**” means the loan agreement dated August 14, 2007 as amended effective July 1, 2008 between Columbus Gold and the Corporation, under which Columbus Gold has provided a loan facility to the Corporation to borrow up to $850,000 at an annual simple interest rate of five percent (5%). Indebtedness under the Working Capital Loan is evidenced by the Working Capital Grid Note. The amount owing under the Working Capital Loan is due and payable on or before August 31, 2010.

NOTE ON FORWARD LOOKING STATEMENTS

Except for the statements of historical fact contained herein, some information presented in this prospectus constitutes forward-looking statements. When used in this prospectus, the words "estimate", "project", "believe", "anticipate", "intend", "expect", "predict", "may", "should", the negative thereof or other variations thereon or comparable terminology are intended to identify forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of our company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, those factors discussed in the section entitled "Risk Factors". Although our company has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that cause actual results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. Accordingly, prospective investors should not place undue reliance on forward-looking statements. The forward-looking statements in this prospectus speak only as to the date hereof.

Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements. Except as required by applicable law, including the securities laws of the United States, we do not intend to update any of the forward-looking statements to conform these statements to actual results.

PROSPECTUS SUMMARY

THE FOLLOWING IS A SUMMARY OF THE PRINCIPAL FEATURES OF THIS DISTRIBUTION AND SHOULD BE READ TOGETHER WITH THE MORE DETAILED INFORMATION AND FINANCIAL DATA AND STATEMENTS CONTAINED ELSEWHERE IN THIS PROSPECTUS.

Corporation: The Corporation was incorporated under the *British Columbia Business Corporations Act* on May 18, 2007 under incorporation number BC0791656. The Corporation is engaged in the business of mineral exploration in Utah and Arizona, USA through Columbus Silver (U.S.). Its objective is to locate and develop economic precious and base metals properties of merit. See "Narrative Description of the Business."

Management, Directors & Officers:

Robert Giustra	Director, President and CEO
Kenneth Judge	Chairman and Director
Gil Atzmon	Director
Don Gustafson	Director
Sean McGrath	CFO
Jacqueline Collins	Secretary

See "Directors and Officers"

Properties The Corporation's principal business activities are the acquisition, exploration and development of resource properties, with silver as a principal focus. Currently, all of the Corporation's resource properties are located in the United States. The Silver Dome Property is the subject of a technical report entitled "Technical Report on the Silver Dome Property, Juab County, Utah, USA" (the "**Silver Dome Report**") dated February 15, 2008 prepared for the Corporation by Nancy J. Wolverson, C.P.G. in accordance with NI 43-101. See the "Silver Dome Property" referred to herein.

The Offering: A Maximum Offering of 21,000,000 Units and a Minimum Offering of 6,400,000 Units, raising gross proceeds of a maximum of $5,250,000 and a minimum of $1,600,000. The Corporation has agreed to pay the Agent a Corporate Finance Fee of $25,000 and a cash commission equal to 8.5% of the gross proceeds from the sale of the Units. The Agent will also receive non-transferable Agent's Warrants entitling the Agent to purchase up to that number of common shares at a price of $0.25 per share, which is equal to 10% of the total number of Units placed under this Offering.

Price: $0.25 per Unit

Use of Proceeds: The Corporation will receive minimum net proceeds of $1,464,000 if the minimum number of Units under this Offering are sold, and $4,803,750 if the maximum number of Units under this Offering are sold. As at July 31, 2008, the Corporation's consolidated working capital (unaudited) was $38,222 resulting in funds available of $4,841,972 under the maximum offering and $ 1,502,222 under the minimum offering, which it intends to spend, in order of priority, as follows (see "Use of Proceeds"):

Purpose	Funds Available	
	Minimum Offering	***Maximum Offering***
To pay the remaining estimated costs of this Offering (including the balance of the Corporate Finance Fee, legal, audit, regulatory, listing and printing costs)	$130,000	$130,000
To pay the estimated cost of the recommended exploration program (US$630,000) on the Silver Dome Project, the Corporation's only material property	$630,000	$630,000
Property payments under agreements relating to Silver Dome, Clanton Hills, Silver District and Keg Properties for the next 12 months	$57,606	$57,606
To pay Cordex pursuant to the operator agreement for the next 12 months	$72,000	$72,000
To pay the promissory note due to Columbus Gold US and repay the related party advance from Columbus Gold (1)	-	-
To pay estimated general and administrative expenses for 12 months	$495,072(2)	$495,072(2)
To provide unallocated working capital(3)	$117,544	$3,457,294
TOTAL	$1,502,222	$4,841,972

(1) The Property Note and Working Capital Loan with Columbus Gold (U.S.) and Columbus Gold, respectively, included in the Corporation's working capital balance in the Final Prospectus have been extended until August 31, 2010. Therefore, they have not been included in the Corporation's working capital balance as at July 31, 2008 in this Amended and Restated Prospectus. See "General Development of the Business".

(2) See page 25 under the heading "Use of Proceeds – Estimated General and Administrative Expenses for the Next 12 Months" for the breakdown of the G&A expenses.

(3) The Corporation intends to use the unallocated working capital primarily to fund future mineral property acquisition opportunities which it may identify.

The Corporation intends to spend the funds available to it as stated in this Prospectus. There may be circumstances, however, where, for sound business reasons, a reallocation of funds may be necessary. See "Use of Proceeds."

Risk Factors: An investment in the Units of the Corporation should be considered highly speculative and investors may incur a total loss on their investment. The Corporation has no history of earnings and there are no known commercial quantities of mineral reserves on the Corporation's properties. There is also no guarantee of the Corporation's title to its properties. The Corporation and its assets may become subject to uninsurable risks. The Corporation's activities may require permits or licenses that may not be granted to the Corporation. The Corporation competes with other companies with greater financial resources and technical facilities. The Corporation is currently largely dependent on the performance of its directors and there is no assurance the Corporation can maintain their services. In recent years both metal prices and publicly traded securities prices have fluctuated widely. The Corporation's operations are also subject to currency exchange rates. See "Risk Factors."

Summary of Financial Information:

The following table sets out selected information for and as of the period indicated. The financial information is derived from the consolidated balance sheets as at March 31, 2008 (unaudited) and September 30, 2007 and from the statements of loss for the periods then ended of the Corporation which are included in this Prospectus and should be read in conjunction therewith, including the notes thereto. See "Appendix A – Financial Statements."

SELECTED FINANCIAL DATA

	As at and for the six month period ended Mar. 31, 2008 ($) (unaudited)	As at and for the period from incorporation to Sept. 30, 2007 ($)
Financial results:		
Total Revenue	nil	nil
Loss before foreign exchange gain	127,990	30,218
Loss and comprehensive loss for the period	139,398	12,198
Basic and diluted loss per common share [1]	0.03	0.00
Balance sheet data:		
Cash and short term deposits	23,096	17,082
Mineral properties	735,844	587,870
Total assets	881,587	688,760
Total long-term liabilities	Nil	nil
Cash dividends per share	Nil	nil
Shareholder's deficiency	(151,595)	(12,197)

[1] *For purposes of the loss per share calculations the stock split of 1 old for 4,000,000 new have been applied to all periods presented.*

CORPORATE STRUCTURE

The Corporation was incorporated pursuant to the *British Columbia Business Corporations Act* on May 18, 2007. The Corporation has authorized capital of an unlimited number of Common Shares.

The Corporation's head office is located at Suite 910, 475 Howe Street, Vancouver, British Columbia V6C 2B3 and its registered office is located at Suite 1500, 1055 West Georgia Street, Vancouver, British Columbia V6E 4N7.

Intercorporate Relationships

On June 18, 2007 the Corporation caused to be incorporated a wholly-owned Nevada subsidiary, Columbus Silver (U.S.), which is the beneficial holder of the Corporation's mineral properties in the United States and will function as the U.S. operating entity.

GENERAL DEVELOPMENT OF THE BUSINESS

The Corporation is a silver focused exploration and development company. The Corporation currently has 5 projects; the Silver Dome Property is the Corporation's principal property. The Corporation plans on seeking joint venture partners to advance exploration and development of its Silver District, Keg, Clanton Hills and Ferguson Flats properties. See "Narrative Description of the Business."

The Corporation is currently a wholly-owned subsidiary of Columbus Gold, a public company listed on the TSXV. The management of Columbus Gold determined its silver assets, held through Columbus Gold (U.S.), were not being properly valued by the market and that its shareholders would be better served by spinning off the silver properties held by Columbus Gold into a separate publicly traded entity.

On September 1, 2007 the Corporation, through its wholly-owned operating subsidiary Columbus Silver (U.S.), acquired 4 silver properties from Columbus Gold (U.S.) in exchange for the Property Note totalling US$540,465 representing the carrying cost of the four properties. The Property Note bears an annual simple interest rate of five percent (5%). All principal and accrued interest thereon is due and payable on or before August 31, 2008. Effective July 1, 2008, the Corporation extended the Property Note with Columbus Gold (U.S.) from August 31, 2008 to August 31, 2010. Furthermore, Columbus Gold (U.S.) has been given the right to convert the principal amount outstanding under the Property Note or a portion thereof into common shares of the Corporation at a price of $0.50 per share (or, if the Corporation has completed its initial public offering on or before the date of the conversion notice, at a conversion rate equal to the price at which the securities of the Corporation were sold thereunder). All other terms of repayment remain the same. Columbus Gold (U.S.) and the Corporation have a director and officer in common.

Columbus Silver (U.S.) then entered into an agreement made effective September 13, 2007, as amended by Amendment #1 dated August 19, 2008 (together, the **"Cordex Agreement"**) with Cordex wherein Cordex agreed to act as operator for Columbus Silver (U.S.) with respect to the Silver Dome Property. Pursuant to the terms of the Cordex Agreement, Columbus Silver (U.S.) will pay to Cordex a monthly fee of US$6,000, provided that of this amount US$2,500 shall be retained by Cordex as a monthly service fee and the balance used to pay Cordex's general operating, overhead and administrative costs. Further, Cordex is entitled to receive up to a 2% NSR on any claims that they stake on behalf of the Corporation. If claims or mineral rights are identified by Cordex and acquired from third parties, then the Cordex NSR shall be the difference between a 4% NSR and the third party royalty provided, however, it shall be no less than 1% or greater than 2%. All properties acquired by the Corporation within two miles of a claim generated by Cordex will fall under the area of influence and become subject to the agreement.

Pursuant to the Working Capital Loan, Columbus Gold granted a loan facility to the Corporation to borrow up to $300,000. The Working Capital Loan bears an annual simple interest rate of five percent (5%). Operating cash was provided by the Working Capital Loan and as at September 30, 2007 the Corporation had borrowed $131,515 (March 31, 2008 - $418,932). Effective July 1, 2008, the Corporation extended the Working Capital Loan with Columbus Gold from August 31, 2008 to August 31, 2010 and increased the amount of the loan facility to $850,000. Furthermore, Columbus Gold has been given the right to convert the principal amount outstanding under the Working Capital Grid Note or a portion thereof into common shares of the Corporation at a price of $0.50 per share (or, if the Corporation has completed its initial public offering on or before the date of the conversion notice, at a conversion rate equal to the price at which the securities of the Corporation were sold thereunder). All other terms of repayment remain the same. As of the date of this Prospectus, a total of $747,767 has been advanced under the Working Capital Loan.

Trends

There are significant uncertainties regarding the prices of gold and silver and other minerals and the availability of equity financing for the purposes of mineral exploration and development. For instance, the price of silver, gold and other minerals has fluctuated widely in recent years and wide fluctuations are expected to continue. Apart from the risk factors noted under the headings "Management's Discussion and Analysis – Risk and Uncertainties" and "Risk Factors," management is not aware of any other trends, commitments, events or uncertainties that would have a material adverse effect on the Corporation's business, financial condition or results of operations.

NARRATIVE DESCRIPTION OF THE BUSINESS

Stated Business Objectives

The Corporation is a silver focused exploration and development company. The Corporation has one major property on which it has caused to be prepared a technical report under National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("**NI 43-101**"), being the Silver Dome Property in Utah. The Corporation intends to use the proceeds of the Offering to carry out the recommended exploration on the Silver Dome Property in the next 12 months. The Corporation plans to seek option agreements with industry partners to advance exploration and development of its Silver District and Clanton Hills properties in Arizona, its Keg Property in Utah, and its Ferguson Flats property in Nevada.

Milestones

Work at Silver Dome is anticipated to begin in April 2008. The milestones for the completion of the Phase 1 Program at Silver Dome are as follows:

Event	Estimated Time for Completion	Estimated Cost
Detailed Mapping	September 2008	US$10,000
Rock Chip Sampling	September 2008	US$12,000
Compilation of Regional Data	September 2008	US$3,000
Drilling - West of Cactus Mine (14,500 feet)	October 2008	US$605,000
		US$630,000

Complete assay results from Phase 1 drilling would take approximately 6 weeks. Subject to the results of Phase 1, a Phase 2 drilling program would likely be initiated early 2009.

SILVER DOME PROPERTY

The Silver Dome Property is the subject of a technical report entitled "Technical Report on the Silver Dome Property, Juab County, Utah, USA" (the "**Silver Dome Report**") dated February 15, 2008 prepared for the Corporation by Nancy J. Wolverson, C.P.G. in accordance with NI 43-101. The following information on the

Silver Dome Property has been extracted from the Silver Dome Report. Please see Appendix B for all figures referred to herein.

Property Description and Location

Area and Location

The Silver Dome Property is located in west central Utah, approximately 150 miles southwest of Salt Lake City, Utah. The property is readily accessible from Interstate 80 freeway at Wendover, NV (Figure 1.1). Take highway US 93A South for approximately 25 miles and then travel east-southeast for approximately 75 miles on good to moderately good dirt roads. Numerous roads and tracks provide access to much of the property. Silver Dome is in sections 19 and 30, T11S, R14W; sections 22-27 and 34-36, T11S, R15W; and sections 2 and 3, T12S, R15W, SLBM.

Claims and Agreements

The following discussion on land status describes the claims and agreement as reviewed by the author, as of February 15, 2008. Columbus Silver has contracted Mr. Daniel Jensen of the law firm of Parr, Waddoups, Brown, Gee and Loveless in Salt Lake City, Utah to complete a Title Report on Silver Dome. The Title Report was completed on February 13, 2008.

Cordex has entered into a “Mineral Lease Agreement and Option to Purchase” with several individuals as follows: Robert L. Steele and Christy Steele, Robert D. Steele and Chantelle Steele, Chet Steele and Mindy Steele and Terry G. Steele and Judy Steele. This agreement pertains to 208 unpatented lode mining claims and will be referred to as the “Steele Lease.” A list of the claims is shown in Table 4.1 and a summary of the Royalty Payments is in Table 4.2.

The area covered by this lease includes a total of 208 unpatented lode mining claims for a total of approximately 4100 acres. The claims located in the name of Robert L. and Robert D. Steele total 33 and the remaining 175 claims were staked by Cordex. The Steele Lease also provides for an “area of interest” whereby any new claims staked within ½ mile of the property boundary becomes subject to the Steele Lease. 37 of the 175 claims staked by Cordex fall within this area of interest. Table 4.1 lists all of the claims included in the Silver Dome Property with their corresponding BLM Serial Numbers and State of Utah Claim numbers. Figure 4.1 shows the location and configuration of the claims included in Silver Dome. The unpatented mining claims at Silver Dome are all on U. S. BLM lands in Juab County, Utah. The claim boundaries are marked with 2” X 2” wood posts.

Cordex further entered into a “Mineral Lease Agreement” (“Cactus Patent”) on January 3, 2008 with Kelly E. King as Trustee of the Earl N. King Trust (Trust Agreement 15 February 1999). This agreement pertains to the patented Cactus lode mining claim, Mineral Survey No. 5920, which is located on the east side of Silver Dome (Figure 4.1) and comprises 20.66 acres. The term of the agreement is 10 years with an option to extend for an additional 10 years and further as long as mining operations continue. A summary of the Royalty Payments is in Table 4.3.

Additionally, Cordex has entered into two “Metalliferous Minerals Leases” (ML-50498 and ML-50944) with the State of Utah School and Institutional Trust Lands Administration (SITLA). Both of these are for 10 years, renewable up to 20 years from their effective dates. ML 50498 was effective October 1, 2006 and ML 50944 was effective August 1, 2007. The areas covered are Section 36, T11S, R15W (ML-50498) and Section 2, T12S, R15W (ML-50944), SLBM.

Annual lease payments to the State of Utah are \$1/acre (\$693.88 for section 2 and \$640.00 for section 36) for years 1 through 10. Commencing with the 11th year, advanced minimum royalty payments are \$1,920.00 for Section 36 and \$2,082.00 for Section 2. Gross production royalties are 8% for fissionable metalliferous minerals and 4% for non-fissionable metalliferous minerals.

The Title Report completed in February 2008 (Jensen, 2008), includes a review of patent and unpatented claims as well as the SITLA leases. A summary of the ownership and agreements is shown in Table 4.4. Additionally, the Title Report addresses the Cordex Agreement as described above in "General Development of the Business". It confirms that Columbus Silver has a beneficial interest in the claims to which Cordex holds record title. Columbus may have these claims transferred to them at any time with Cordex retaining a 1%-2% NSR.

The Title Report also addresses the Fish Springs Wilderness Study Area (WSA). It estimates approximately 100 feet of overlap on the east side of Silver Dome (or 800 feet of overlap if the "Potential WSA land is included). It further states that the Potential WSA does not preclude location of mining claims and the claims included in this report would be senior to any expanded WSA lands, and thus grandfathered.

The Title Report addresses minor issues concerning the land status. Overlap on senior claims and overlap by junior claims are the main issues addressed. These were not checked on the ground as part of the Title Report which is the only determination of conflicts. Columbus Silver has surface rights to the project area with a few minor issues. Easements for a power transmission line (U15286) and a fiber optic line (U79371) and a small "free use" sand and gravel permit have surface rights although neither precludes the location of mining claims. Therefore surface use is allowed but will have to be coordinated with these activities. The known mineralized zones and the few historic small mine workings are located on the Cactus Patent. The possible extension of this zone extends to the northeast and is one of the targets of this report proposed work program.

The author is not a Registered Landman and therefore interested readers should refer to the Title Report (Jensen, 2008) for clarification.

Table 4.1 Summary List of SD and Silver Dome Claims

Claim Name	Utah Mining Claim #s	BLM Serial Numbers (UMC)	# of Claims
Robert L. Steele, Lessor's agent, Owner			
Silver Dome #1-A	00214302	365720	1
Silver Dome #2 Amended	00252458	383696	1
Silver Dome #3 Amended	00252459	383697	1
Silver Dome #4 Amended	00252460	383698	1
Silver Dome #5 Amended	00252461	383699	1
Silver Dome #6 Amended	00252462	383700	1
Silver Dome #7 Amended	00252463	383701	1
Silver Dome #8 Amended	00252464	383702	1
Silver Dome #9 Amended	00252465	383703	1
Robert D. Steele, Owner			
SD 2-25 Amended	00245253-00245276	384502-384525	24
Cordex Exploration Co., Owner			
SD 26-37	00245414-00245425	385484-385495	12
SD 38-40 Amended	00251302-00251304	385496-385498	3
SD 41-49	00245792-00245800	385932-385940	9
SD 381	00245801	385941	1

SD 391	00245802	385942	1
SD 401	00245803	385943	1
SD 50-69	00249662-00249681	394817-394836	20
SD 70-147	00249716-00249793	394837-394914	78
SD 148-181	00249682-00249715	394915-394948	34
SD 182-197	00249942-00249957	395374-395389	16

Table 4.2 – Schedule of Advance Royalty Payments (Steele Lease)	
Amount (US$)	**Due Date**
$5,000.00	Paid September 15, 2006
$7,500.00	Paid September 5, 2007
$10,000.00	September 15, 2008
$12,500.00	September 15, 2009
$15,000.00	September 15, 2010
$25,000.00	September 15, 2011 and on or before September 15 of each subsequent year.
Production royalties amount to 3 ½ % NSR and the final Option to Purchase is $2,000,000.00 (end price) that include AMR and NSR payments.	

Table 4.3 Schedule of Advance Royalty Payments (Cactus Patent)	
Amount (US$)	**Due Date**
$5,000.00	Paid January 3, 2008
$7,500.00	Due January 3, 2009
$10,000.00	Due January 3, 2010 and on or before January 3 of each subsequent year.
Production royalties amount to 4% NSR	

Table 4.4. Apparent Ownership of Silver Dome, based on Title Report (Jenson, 2008)		
Name	**Ownership**	**Agreements**
SD 26-197, 381, 391, 401	Cordex	
SD 2-25, Silver Dome #2-#6	Robert D. Steele	Leased to Cordex
Silver Dome #7-#9	Chet Steele	Leased to Cordex
Silver Dome #1-A	Robert Steele and Terry Steele	Leased to Cordex
Cactus Claim	Kelly E. King as Trustee of the Earl N. King Trust	Leased to Cordex
State Lease ML-50498	SITLA	Leased to Cordex
State Lease ML-50944	SITLA	Leased to Cordex

In accordance with the Cordex Agreement, the original 33 unpatented claims subject to the Steele Lease plus the additional 37 unpatented claims staked by Cordex within the area of interest will be further subject to a 1% NSR in favour of Cordex. The remaining 138 unpatented claims staked by Cordex will be further subject to a 2% NSR in favour of Cordex. The Cactus Patent is also subject to a further 1% NSR in favour of Cordex.

Environmental Liability

There has been no Environmental Liability study on Silver Dome. The only environmental issues apparent during the author's brief field visit are small mining dumps, historic artifacts and a small number of open underground workings.

The author is not a Qualified Person in environmental issues and therefore these statements should not be taken as a professional opinion. A qualified expert should be consulted if a professional Environmental Report is required.

Claim Maintenance Fees

On August 14, 2007, Cordex sent a check for $26,000 to the Utah State Office of the U. S. Bureau of Land Management (BLM) to cover claim maintenance fees through September 1, 2008. The Transaction number is 1606678, dated August 28, 2007.

Claim maintenance fees are due annually on September 1.

Fees Due to Juab County, Utah

The annual fees to Juab County, Utah were paid via a check for $221 to the County Recorder on October 15, 2007. The Entry No. from Juab County, Utah is 00251016 dated October 18, 2007.

Permits

The Corporation recently completed the geophysical and geochemical surveys. Drilling is expected to get underway in October 2008.

The Federal Regulations that govern the exploration activities and surface disturbance at Silver Dome are 43 CFR 3715, 3802, 3809 and 3814 (Code of Federal Regulations). A notice level operation is one which disturbs less than 5 acres. The recommendations (see "Recommendations") for the next phases of exploration and drilling at Silver Dome should disturb less than 5 acres which will require notice to the BLM. If the area of disturbance goes beyond 5 acres, an Environmental Assessment will be required.

The Utah Division of Oil, Gas, and Mining also require a permit for all mining and exploration activities. The Notice of Intention to Conduct Exploration form must be submitted to their Minerals Reclamation Program with a $150 fee.

Accessibility, Climate, Infrastructure and Physiography

Access

The Silver Dome property is located approximately 150 miles southwest of Salt Lake City, Utah. It is easily accessible from Interstate 80 (I-80) at Wendover, Nevada. From Wendover, take US 93A south for approximately 25 miles. Turn east (left) at the Ibapah Road (paved) and travel for 17 miles to the Gold Hill Road. Turn east (left) and travel for 12 miles to the Gold Hill townsite. Turn left, travel north and then east for 24 miles to Callao, turn left at the Fish Springs sign and travel for an additional 23 miles. Dirt roads and trails allow access to several parts of the property. The property covers low-lying hills and a broad valley and is easily accessible. Local resources in the immediate area are primarily for the ranching communities.

Wendover, NV and Delta, UT are the closest towns with services. Both of these towns have complete services, including regional airports and railways. It takes approximately 2 hours to get to the property from Wendover and Delta. Salt Lake City, UT is a major metropolitan center and is at least 3 ½ hours from the property. The closest town is Callao (23 miles), a farming community of less than 100 people, which has no services.

The property is large and has sufficient area for any future mine operations, tailings storage reas, waste disposal areas, heap leach pad areas and processing plants. A power line crosses the property. The ownership of water right is unknown, although water for exploration purposes is available in the nearby town of Callao. The towns of Delta, Wendover and Salt Lake City are all sources for mining personnel.

Physiography

The Silver Dome Property lies in the east central part of the Great Basin part of the Basin and Range Physiographic Province. The Great Basin is characterized by north-northeast trending mountain ranges separated by wide flat valleys (Figure 5.1). Silver Dome covers part of the Fish Springs Range and an unnamed valley to the west that is the southeast portion of the Great Salt Lake Desert, a major physiographic feature of western Utah. The Silver Dome Property ranges in elevation from approximately 4300 to 4700 feet elevation.

Climate

Utah is a desert state and is the second driest state in the United States. The arid climate in this part of Utah receives less than 8 inches of precipitation annually. Evapotranspiration exceeds precipitation. The soils and vegetation are sparse as characterized by the arid climate. Soils are primarily aridsols that support sagebruch and grass.

History

The Silver Dome Property is located approximately 2 miles south of the main Fish Springs Mining District. The Cactus Mine is located along the east edge of the property and it is considered the southernmost part of the Fish Springs Mining District. The district was established in 1891 and produced silver, lead, gold, copper and zinc. Most of the production was from 1891 through 1956 and production figures are shown in Table 6.1. The historic production was primarily from replacement deposits of limestone localized along east-west trending fissures.

Table 6.1. Production Fish Springs District, 1891-1956.

Gross Value	$6,022,896
Tons Mined	19,491
Ag (oz)	2,585,380
Au (oz)	466
Cu (lbs)	5,354
Pb (lbs)	16,681,958
Zn (lbs)	2,800
data from Mardirosian, 1966	

The Cactus Mine, located on the east edge of the Silver Dome Property, was discovered later than the main part of the Fish Springs District and it is approximately 2 miles from the other workings in the district. The specific production of the Cactus Mine is unknown. Perry and McCarthy (1976) report that the main mine workings consisted of an inclined shaft and two levels. The workings total 400 feet in length. At the time of their report, they found that little silver mineralization remained in the workings. The Cactus Mine Patent No. 5920 describes six vertical shafts, one inclined shaft and one open cut on the property in 1908. There are some dozer cuts but the author could not determine who performed the work. There is no record of exploration at Silver Dome following the cessation of mining in the Fish Springs District in 1956.

During the 1950's and 1960's several mining companies conducted regional exploration for porphyry copper and molybdenum deposits over large portions of Utah. This exploration lead to the discovery of zinc mineralization north of Silver Dome at the Crypto deposit (see Section 15 Adjacent Properties).

Cordex personnel first visited Silver Dome in January, 2006 after Bob Steele submitted it to them. John Livermore reviewed the geology, took rock-chip samples and completed an initial bottle roll test of some of the samples. Geologic mapping and additional sampling in May 2006 led to an informal agreement to lease the property. Mining claims were staked in June, 2006 and additional rock-chip samples were taken along lines perpendicular to the proposed mineralized trend. The property was formally leased from the Steele's on September 15, 2006 and one of the Utah State Leases (ML 50498) was signed in October, 2006.

Underground mapping and sampling was completed in April, 2007 and additional claims were staked. A ground magnetic survey and five induced polarization lines were completed in July and August, 2007. Another Utah State Lease (ML 50944) was signed in August, 2007.

Geological Setting

Regional Geology

Silver Dome lies in the east central portion of the Great Basin part of the Basin and Range Physiographic Province. The Great Basin is characterized by north to northeast trending ranges separated by wide flat valleys. In this part of Utah, the ranges are generally made up of Paleozoic carbonate rocks with local siliceous sedimentary rocks (Figure 7.1). The Great Basin is characterized by high heat flow and a sustained period of episodic magmatism.

Paleozoic rocks of the Great Basin are primarily sedimentary rocks deposited along a continental margin. Cambrian to Devonian age rocks occur in coeval assemblages of western deeper water, siliciclastic rock and eastern carbonate rocks deposited on the continental shelf. The western siliciclastic rocks are primarily shale, wacke and chert and the eastern part is comprised of limestone, dolomite with lesser amounts of sandstone and shale. These two coeval assemblages have been juxtaposed by thrusting, placing the siliciclastic rocks over the carbonate sequence.

The Antler Orogeny deformation began in the Devonian and lasted through the mid-Mesozoic. This deformation caused uplift to the west, waning of sedimentation and finally a Triassic-Jurassic boundary marked by clean sandstone. Late Jurassic to Early Cretaceous marks the beginning of the Sevier Orogeny which is characterized by thrust faulting (west to east) with displacements up to 30+ miles. Sedimentation related to the Sevier Orogeny continued through the Cretaceous grading eastward from conglomerates and fluvial sandstone into coastal plain and shallow marine muds and clays. Rocks of Mississippian through early Tertiary strata are not exposed in the Fish Springs Range.

By the early Cenozoic eastern Utah was an inland sea. Tertiary strata range from lower continental sediments, acidic volcanic rocks and upper clastic and volcaniclastic units. The Laramide Orogeny in Late Cretaceous to Early Cenozoic uplifted crystalline basement rocks in the east. By the Oligocene the major tectonic component had changed to extension and the characteristic "basin and range" was formed. Igneous activity formed the intrusive rocks in north and central Utah and volcanic activity in southern and central Utah. The Tertiary rocks exposed in the Fish Springs Range are primarily rhyolite to andesite dikes and plugs. Dikes are localized near the mines in the Fish Springs Mining District.

The Fish Springs Range was mapped by Hintze (1980) and his cross section is included as Figure 7.2. The units generally dip moderately to the west. There is a strong north to northwest structural component with fault offset to both the east and the west. Folds and thrust faults are the result of the compressional regime and the step normal faults were a result of the later extensional regime. The normal and thrust faults that have disrupted the area make stratigraphic interpretation difficult.

The lithotectonic setting is critical to the linear pattern of precious metal deposits in the Great Basin. Figures 7.1 and 7.2 show the geologic setting of western Utah and the Fish Springs Range. The explanation included with Figure 7.1 includes only the units that are exposed on Silver Dome. Figure 7.3 is a general stratigraphic column of the Fish Springs Range, showing the relationship of the siliciclastic and carbonate rocks.

In the Quaternary, Lake Bonneville, a large fresh water lake was formed. The Great Salt Lake is all that remains of this very large lake, although lake terrace deposits can be seen in many areas. Lake Bonneville extended further south than the Silver Dome Property and is defined by the Great Salt Desert just west of the Fish Springs

Range. Quaternary deposits at Silver Dome are characteristic of the Great Basin and include alluvium, lake sediments and landslide deposits.

Local Geology

The following discussion of local geology is from geologic mapping and a short summary report completed for Cordex by Frank Howell (2006 and 2007), Consulting Geologist from Reno, Nevada. He also accompanied the author to the field and reviewed the geological interpretation. Figure 7.4 is Mr. Howell's geologic map of the entire property and Figure 7.5 is his detailed map showing the area of outcrop in the northeast portion of the property.

Silver Dome is underlain by a relatively small exposure of Middle Ordovician age rocks along the northwest flank of the Fish Springs Range. The remainder of the property is covered by Quaternary Alluvium and Lake Deposits. The sedimentary rocks range from a lower section of limestone or dolomite to an upper section of calcareous and/or dolomitic sandstone. The Paleozoic age rocks exposed on the property were mapped by Frank Howell and his description follows (from oldest to youngest):

- **Juab Limestone**: Medium to dark gray, thin-bedded to locally foliated limestone. The thickness is unknown but elsewhere in the Fish Springs Range it ranges from 70-150 ft thick.
- **Deadman Springs Dolomite**: Distinctive brown to tan, medium-bedded dolomite that is <100 ft thick in the project area.
- **Watson Ranch Quartzite**: Light tan to yellowish, thin to thick-bedded silica sandstone with siliceous to carbonate matrix. It is <100 feet thick on the property but reaches 150 feet thick in western Utah.
- **Un-named Sandstone**: Variable amounts of silica and carbonate medium-grained sand in a carbonate matrix with distinctive local color laminations. Thickness in the project area is unknown due to faulting and alluvial cover.
- **Un-named Limestone**: Dark gray, thin to medium-bedded, lensoidal, discontinuous limestone. It is no greater than 20 feet thick in the project area.

The Un-named Sandstone and Un-named Limestone are mapped by Hintze (1980) as the Ordovician Eureka Quartzite (Oe) and the lower member of the Ely Springs Dolomite (Figure 7.1).

The sandy units are the host of the silver mineralization that has been partially defined by the geochemical sampling and geologic mapping. These units are approximately 400 feet thick in the Fish Springs Range. The small exposures and structural complexity make stratigraphic interpretation difficult and detailed mapping is recommended to help sort out the stratigraphic sequence.

The rocks generally strike to the north and dip at a shallow to moderate angle to the west. Low amplitude folding occurs locally and may indicate drag folding. These folds are probably the consequence of the Sevier Orogeny and similar to the attenuation faults that Hintze (1980) mapped in the core of the Fish Springs Range. The low angle faults are difficult to trace because they often occur along or sub-parallel to bedding planes.

There are also prominent northeast trending, high-angle, locally mineralized structures. Northwest trending, vertical, to steep dipping, silver mineralized structures are not well exposed at the surface but were observed by Cordex personnel underground in the shallow Cactus Mine workings. Northerly trending, east dipping structures were also mapped by Cordex personnel at the Cactus Mine but they do not appear to be well mineralized.

Hydrothermal alteration at Silver Dome is subtle. The alteration is primarily adjacent to both the steep dipping northwest to northeast trending faults and the shallow dipping faults. Bleaching, weak to moderate silicification and very weak sulfidation were mapped in sandstone and quartzite. There are also zones of weak clay alteration that are not associated with any mapped structures. These two styles of hydrothermal alteration are thought by

Cordex personnel to indicate mineralization associated with feeder structures and disseminated mineralization in favorable sandstone beds.

Deposit Types

The primary deposit types that are of interest at Silver Dome are:

- Fracture controlled and disseminated silver deposits in quartzite.
- Distal polymetallic replacement deposits.
- Zinc replacement bodies and skarn peripheral to a porphyry system.
- Porphyry copper and molybdenum deposits.

More than 90% of Silver Dome is covered by alluvium and therefore the exploration targets are blind. Geochemical sampling and geologic mapping were used to define structures and the extent of mineralization along the west side of the Fish Springs Range. Geophysical techniques were utilized to follow the structures beneath alluvial cover and define lithologic contacts.

Utah was ranked fourth in the production of silver in 2006 (Bon and Krahulec, 2006) and produced over 100 million ounces of silver between 1973 and 1998. The primary silver deposits of economic significance are:

- Limestone replacement ores associated with Tertiary intrusions and volcanism
- Epithermal veins in Tertiary volcanic rocks and
- Silver in sandstone

(James and Atkinson, 2002).

Fracture controlled and carbonate replacement silver, lead, gold and zinc mineralization are found in the historic workings in the Fish Springs District. The ores of the Cactus Mine that were mined in the early 1900's followed narrow high grade fractures and beds. Mineralization occurs as replacement pods and lenses of galena, pyrite, sphalerite and their oxidation products (Perry and McCarthy, 1977).

The rock chip sampling by Cordex found silver, lead, zinc and trace elements over a broad area outside the historic workings. North, northeast and northwest trending structures were mapped that are similar to those found in the main Fish Springs District. The east-west structures found in some of the main district mines were not seen at Silver Dome. A lack of outcrop may be a factor.

A broad magnetic high in the northeast corner of Silver Dome appears to be the south edge of the pluton associated with the Crypto Deposit (see description in Section 15, Adjacent Deposits). Crypto was discovered by drilling on a regional magnetic anomaly. Crypto style mineralization and/or porphyry mineralization could be associated with this magnetic high which extends onto Silver Dome. This target is completely covered by alluvium and the depth to source is interpreted by Lide (2007) to be >3000 feet. The historic production from the Fish Springs District could be the surface distal expression of deeper porphyry copper and/or molybdenum mineralization. The Crypto deposit is controlled by Lithic Resources who compare it to zinc deposits at Tintic/East Tintic, Utah (lithicresources.com). The deposits of East Tintic include replacement bodies in Paleozoic carbonate rocks and veins in quartzite which are described as north to northeast trending fissures (Morris and Lovering, 1979). They were mined historically for lead, zinc, silver, gold and copper.

Mineralization

Over 90% of Silver Dome is covered by alluvium. Known mineralization is restricted to outcrops in the far northeastern portion of the property where silver and lead mineralization is hosted in distinct beds of the Watson Ranch Quartzite, the Un-named Quartzite (Eureka Quartzite?) and the Un-Named Limestone. The host rocks are sandstone and quartzite with lesser dolomite. In the silver mineralized zones, they often have a calcareous matrix.

Hydrothermal alteration and silver mineralization (up to 2750 ppm) occur for 1800 feet along a north-northeast trending structure. Galena, pyrite and sooty black silver minerals occur in fractures, veins and as blebs in low matrix quartzite and sandstone. Locally secondary silica is present but not common. In outcrop, the mineralized zone varies from a few inches to 12 foot wide, averaging approximately 5 feet. Outcrop is not continuous along the entire 1800 feet, although when exposed, it is relatively consistent in grade and character. The high grade silver mineralization delineated by Cordex in rock chip samples occurs in the outcrops within and just west of a major north to northeast trending structure. The structure appears to limit the silver mineralization on the east. The quartzite beds with strong silver mineralization dip shallowly beneath the pediment to the west. The vertical extent of the mineralization is unknown because there is limited access to the underground working and no drill hole data at Silver Dome.

Mineralization in the Cactus Mine occurs as replacement of carbonate beds and as fracture fillings in the underlying quartzite/sandstone (Perry and McCarthy, 1977). The main fault is north to northeast trending and dips 53 degrees to the east.

The magnetic high in the northeast corner of Silver Dome may define the southern boundary of the pluton that is the source of mineralization at Crypto. The historic Fish Springs mineralization could be structurally controlled distal polymetallic mineralization similar to the deposits at Silver Dome. Based on the Lithic Resources website review of Crypto, copper and molybdenum occur at depth, zinc replacement and skarn occur in cupolas above the main pluton body and fissure controlled silver, lead, zinc, copper and gold occurs further to the east (lithicresources.com).

Exploration

There has been little exploration on Silver Dome since production ceased in the Fish Springs District in the 1950's. Regional surveys were conducted by various major companies but the focus of exploration activities has been north of Silver Dome in the area of the discovery of zinc mineralization at Crypto in the 1960's.

Cordex personnel completed a geologic map of the property, rock chip sampling and contracted a geophysical survey (magnetics and IP/Resistivity). The geologic map was completed by Frank Howell in 2006. More than 90% of Silver Dome is covered by Quaternary alluvium and the lack of outcrop make delineation of structures difficult, although several were recognized.

The following summarizes the exploration activities of Cordex associated with their evaluation and subsequent lease and expansion of Silver Dome.

Geochemistry

Surface and underground sampling has confirmed the presence of high grade silver (up to 2750 ppm) and lead (up to 864,300 ppm). Rock chip samples were collected in the areas of strongest hydrothermal alteration during the initial stages of property evaluation. During geologic mapping, additional select sample were taken in areas of hydrothermal alteration and where the main northeast-trending structure was exposed. Additional samples were then taken across structures to determine the width of the mineralized zone. Five "lines" were sampled across the structure where silver had been detected in earlier sampling (Figure 10.1). Thirteen samples have from 25 to 121 ppm Ag and they range in width from 2 feet to 20 feet. The sample widths were determined based on the alteration and mineralization observed and are representative.

A total of 142 rock chip samples have been taken by Cordex. Seventy nine of these samples were analyzed for silver and gold along with 32 elements by ICP analysis. The other 63 samples were analyzed for silver and gold only. The sample population is too small to do any meaningful geostatistics, and therefore the following discussion is simply to describe general trends. All samples with >120 ppm silver by ICP methods were then reanalyzed using gravimetric methods. A total of 14 samples were analyzed by gravimetric methods. Table 10.1 shows basic statistics for the silver, lead and gold analyses.

Table 10.1. Basic Statistics for Silver, Gold and Lead.			
	Ag (ppm)	**Au (ppb)**	**Pb (ppm)**
Minimum	<0.2	<3	11
Maximum	2,750	1,092	864,300
Average	75	27	28,203
Median	3	<3	436
Standard Deviation	299	106	107,359

The average silver analysis is 75 ppm and there are 21 samples with greater than 75 ppm silver. Figure 10.1 shows the distribution of silver analyses in surface rock chip samples. Samples with greater than 50 ppm silver were almost exclusively taken in quartzite. Those with very high grades (>100 ppm silver) generally are reported to have black masses, streaks and fracture fillings, which are probably various silver, lead and zinc minerals.

There are high levels of lead in most of the samples that contain high levels of silver. Seventy nine samples were analyzed for lead and the average is 28,203 ppm. This average is very high because there are some high grade samples. Seventeen samples have >10,000 ppm lead and five samples have >100,000 ppm lead. Figure 10.2 shows the distribution of lead in the surface. These high grade samples are confined almost exclusively to the quartzite and some have visible galena as fracture filling or disseminations.

Gold is weakly anomalous, generally in zones of high silver and lead values. All samples have less than 1100 ppb Au (Table 10.1). This confirms the published reports and historic production. Minor gold was produced but it was not important by itself. Eight of the Cordex rock chip samples and five of the authors verification samples had >100 ppb gold.

The trace elements that correlate with gold are arsenic, copper, molybdenum, nickel, antimony and zinc, which confirm that the mineralization is similar to the Fish Springs District. The small area of outcrop and the small number of samples analyzed by ICP make determination of metal zoning or further characterization of the silver-bearing fluids impossible. Table 10.2 shows basic statistics for selected elements analyzed by ICP methods.

Table 10.2. Basic Statistics for Selected Elements.						
	As (ppm)	**Cu (ppm)**	**Mo (ppm)**	**Ni (ppm)**	**Sb (ppm)**	**Zn (ppm)**
Minimum	2	1	<1	1	<3	3
Maximum	4170	205	228	158	435	38,120
Average	237	50	11	32	32	699
Median	35	37	4	26	5	59
Standard Deviation	633	40	27	21	75	4,291

Geophysical Surveys

The Corporation contracted Zonge Geosciences, Inc. to perform a Ground Magnetic survey and an IP/Resistivity survey on Silver Dome (Zonge, 2007). The survey was completed between June and August, 2007. It was initially designed to test the geological interpretation in the area of the historic workings near the Cactus Mine and adjacent ground. Additional survey lines and lengthening of the original lines were completed as areas of high magnetic response were delineated. Ground Magnetic data were acquired on 51 east-west lines for a total of 151.1 line kilometers. IP/Resistivity data were acquired on 5 lines to test three different parts of the property (Figure 10.3).

The total magnetic field data were acquired with GEM Systems GSM019 Overhauser-effect magnetometers along lines oriented east-west and spaced 100 and 200 meters apart. The IP/Resistivity data were acquired using a dipole-dipole electrode array with a dipole length (a-spacing) of 50-150 meters.

An interpretation of the geophysical data was completed by Chet Lide, Zonge Geosciences (Lide, 2007). The Total Magnetic field map shows a broad gradient increasing to the north with a large-scale west-northwest trend. This broad gradient (Figure 10.4) is also reflected in previous regional magnetic data (USGS OFR 99-0557). Overall the IP/Resistivity response is weak and not significantly anomalous. There is no evidence of broad zones of disseminated reflective sulfides but each small elevation in the data lines was evaluated.

The following structural zones and lithologic contacts were delineated by Lide (2007) from the magnetic and IP/Resistivity data. They are shown on Figure 10.5 (A through G).

- There is a magnetic high in the far northeast corner of the survey area (A). It is interpreted to be a very large, deep-seated igneous mass and only the edge is defined with this survey. The depth to source is estimated at 1000-1500 meters beneath the surface. This intrusive could be the southern boundary of the pluton associated with the Lithic Resources Crypto Deposit intrusive (Section 15 Adjacent Properties).
- A small, well defined magnetic high in the south central part of the survey area (B) could also be an intrusive body. It is an irregular circular shaped, complex feature (Figures 10.6, 10.7 and 10.8) with a source from 50-120 meters beneath the surface. The complex nature may indicate dikes extending from a central intrusive. Two northeast trending features may be structures along the east and west sides (E) of the main body.
- There is a large magnetic high in the northwest portion of the survey area (C). There are two distinct features observed in the magnetic and IP/Resistivity data. A northeast trending contact is interpreted to be a dike at a depth of 250-300 meters (magnetic contrast) along a structure with a westward displacement (resistivity contrast).
- Just south of B is a line of magnetic highs that define a northeast trending linear (D). Depth estimate to the source is 50 meters or less and probably represents a fault or lithologic contact. The anomalies are associated with a step shift that increases to the southeast. The linear is locally disrupted by north trending features that may be structures or detrital magnetic material in drainages.
- There is a north trending linear along the west central portion of the survey area (F). This magnetic gradient increases to the east and may reflect a fault.
- Just west of the Cactus Mine is a shallow, northeast trending zone of low resistivity (G). This is interpreted to be a structure. West of G another resistivity contrast may define a lithologic/alteration contact or a thick sequence of alluvium (30-90 meters). Figure 10.9 Shows the IP/Resistivity pseudosections for the central survey line. In general high resistivity is west of the Cactus Mine and a narrow weak low resistivity zone occurs just west of the Cactus. West of G a thin layer of high resistivity overlies lower resistivity lithologic units to the west end of the survey line. The resistive unit toward the valley is estimated to be 50-60 meters thick. The Cactus Mine area exhibits no magnetic response.

Drilling

The Corporation has not drilled any holes on the Silver Dome Property. There is evidence of historic drilling in the south central portion of the claims. The author could not determine who completed the drill program or what year they were drilled. Reports indicate that historic drilling in the area was in the 1960’s and 1970’s. Some of the holes are marked by steel pipes that have been plugged and others are marked by drill pads with sumps. Table 11.1 gives the coordinates of the possible drill sites that were located. These holes are all located in the valley at least a half mile from the nearest outcrop and they are near the circular magnetic high in the south central portion of the claims (B on Figure 10.5).

Table 11.1 Drill Hole Locations, Unknown Company		
	UTM_E	UTM_N
DH-A	285741	4410609
DH-B	285651	4410342
DH-C	285730	4410155

Sampling Method and Approach

Rock chip sampling was the only sampling method employed at Silver Dome. The sampling techniques include grab, channel and dump samples. These are standard sampling methods used to determine the extent of mineralization in outcrop and the grades associated with historical workings. Silver Dome is at a very early stage of exploration and samples were taken to determine where silver occurs and the range of grades present.

The underground samples and dump samples are representative of the mineralization produced from 1891 to 1956. Most of the rock chip samples were taken along the main mineralized northeast trending structure to determine the extent silver mineralization within the hydrothermal alteration. The samples of the northeast trending mineralized structure and the hydrothermally altered Watson Ranch Quartzite indicate that the mineralization extends outside of the previously productive zones. The samples that were taken perpendicular to the mineralized structure along “lines” were selected to identify the alteration characteristics that control the mineralization. They ranged from 2 to 20 feet in width depending on the hydrothermal alteration in the host Watson Ranch and the Un-named quartzite (results described in Section 10.1). All other rock chip sample results are shown in Figures 10.1 and 10.2 (silver and lead respectively). The samples are representative of the rock types, alteration zones and widths observed by the author during her field visit. The true width of the mineralized zone is unknown although they are probably less than the sampled widths. The structure has been mapped dipping 53 degrees northwest, although in places it appears almost vertical. There are no known sampling or recovery factors that materially impact the sampling results.

Samples taken by the author were grab samples with one dump sample included. Each sample (Cordex and the author) was located by UTM coordinates and described by sample type and rock description.

Sample Preparation, Analyses and Security

Cordex submitted all their rock chip samples to American Assay Laboratories, Inc. in Reno, Nevada for analysis. American Assay Laboratories, Inc., 1500 Glendale Ave, Sparks, NV 89431, is an accredited laboratory. They hold the Certificate of ISO/IEC17025 and Certificate of Laboratory Proficiency PTP-MAL (accredited by the Standards Council of Canada).

Seventy three of the rock chip samples were analyzed for 32 elements by ICP methods (Inductively Coupled Plasma technique). Samples with high grade gold and silver were then reanalyzed using fire assay methods. Both of these methods are standard methods in the mineral exploration field. Sixty three of the samples were analyzed for gold and silver only by fire assay and reanalyzed if the results indicated high grade silver and gold mineralization. Samples were kept in the possession of the sampler until they were delivered to the laboratory for analysis.

Each sample is dried, crushed to 70% minus 10 mesh (0.90 mm), a split of 400 g was taken and finely pulverized to 70% minus 150 mesh (0.07 mm) and a 30 g split of the pulverized material is assayed for gold using fire assay with atomic adsorption finish. Each sample is also analyzed for 30 elements by ICP using aqua regia digestion of a 0.5 g split. All samples with >120 ppm silver were reanalyzed using gravimetric methods. American Assay inserted blanks and standards, and randomly re-assayed 10% of the samples. Cordex does not do repeat assays using a second laboratory.

The samples taken by the author were also submitted to American Assay Laboratories and utilized the same analytical techniques as Cordex. The author submitted an informal standard (coarse crush) to the laboratory with the rock chip samples. The standard is from the Marigold Mine (SP-A) and the standardized analytical results for this sample are 140 ppb gold. The standard submitted is not certified and only checks the lab for large errors. It was slightly outside of the standard of error but still has only trace amounts of gold. The laboratory check samples were all within the acceptable limits. The author kept her samples secure until delivery to the laboratory.

Data Verification

Data used in this report was made available to the author at the Cordex office in Reno, Nevada. The author knows of no reason to doubt the accuracy of the geological exploration data reviewed during the preparation of this report.

The author visited the property on August 29, 2007. During the field visit nine rock-chip samples were taken, claim posts were located and the geologic map was field checked. Samples were taken where previous sampling had encountered silver mineralization to verify/duplicate the Cordex sampling results. The locations and sample descriptions are shown in Table 14.1.

All samples were bagged, tagged, and kept in the possession of the author until they were delivered to American Assay Laboratory, Sparks, Nevada. American Assay Laboratory is an accredited laboratory that is ISO/IEC 17025 certified. The analytical procedures were the same as those employed by Cordex and described in Section 13 above.

Each sample was analyzed for the same suite of elements as the Cordex samples. The certificate and sample results are shown in Appendix A to the Silver Dome Report. Results confirmed the extent and tenor of the silver mineralization delineated by Cordex (Table 14.2). Figure 14.1 and 14.2 show the silver and lead results, respectively, of the verification sampling along with the Cordex analytical results.

Table 14.1. Locations of rock-chip samples taken by the author, Aug. 29, 2007

Sample No.	UTM_E	UTM_N	Elev	Description
444351	288045	4412189	4657	qtzite in small prospect pit; ck of Cordex 8501
444352	287991	4412292	4610	qtzite with silicif and sulfide; ck of Cordex 8505
444353	287991	4412292	4610	10” zone sulfide in qtzite; ck of Cordex 8506
444354	288029	4412214	4642	8” zone sulfide in qtzite; along trend
444355	287812	4411945	4613	galena in footwall dolomitic ss, ck of Cordex 8721
444356	287812	4411945	4613	bleached qtzite; near Cordex 8721
444357	287559	4411939	4564	tan-pk sdy dolomite; outcrop near workings
444358	287485	4411862	4565	bleached, fractured qtzite; ck of Cordex 6812
444359	287574	4411919	4572	general dump at Cactus Mine;
444360	Standard			Standard SP-A, 140 ppb

Table 14.2. Verification Samples, Comparison

Sample# Author	Ag (ppm)	Sample# Cordex	Ag (ppm)
44351	**27.9**	**8501**	**41.2**
44352	**494**	**8505**	**66.4**
44353	**585**	**8506**	**588**
44355	**357**	**8721**	**2000**
44358	**2.6**	**6812**	**2.03**

Adjacent Properties

A large zinc deposit, Crypto, has been defined west of the main Fish Springs historic mines and approximately two miles north of Silver Dome. The following summary is taken from the Lithic Resources Ltd. website (www.lithicresources.com).

Lithic Resources, Ltd. signed an agreement in 2005 to acquire a 100% interest in the 2,876 acre property. The original discovery was made in the early 1960s by Utah International during an exploration program for porphyry copper deposits. Cyprus Minerals did additional work in the 1990’s.

At the Crypto Deposit, zinc mineralization is hosted in replacement deposits and skarn bodies in Ordovician to Silurian age carbonate rocks. A large intrusive body of probable Tertiary age intrudes the Paleozoic rocks. Zones of copper enrichment and significant intervals of molybdenite may indicate a complex mineralizing system at depth beneath the Crypto Deposit. It has been compared to Bingham, Park City and the Tintic/East Tintic districts. The mineralization in the historic Fish Springs District may be distal polymetallic deposits, related to the intrusive body at depth beneath Crypto.

The geophysical survey completed by Zonge for the Corporation (Section 10.2) defines a broad magnetic high in the northeast corner of Silver Dome. Based on regional magnetic data this broad magnetic high may be the southern edge of the pluton associated with the Crypto deposit. The area is completely covered by alluvium and drill testing is needed. The geophysical interpretation estimates the depth to source of the anomaly is >3000 feet.

The author did not visit the Crypto deposit and the information is not necessarily indicative of the mineralization on the property that is the subject of this report.

Metallurgical Testing

Preliminary metallurgical testing was conducted in 2006 by McClelland Laboratories, Sparks, Nevada. They completed Bottle Roll tests on two samples as described in Table 16.1(McClelland, 2006). The samples were chosen to determine the metallurgical response for the calcareous and non-calcareous samples with >1 oz/ton silver. The author believes that the following results can only be used as a guide and that additional testing is required to determine the metallurgical characteristics of the silver mineralization.

Composite sample 8501/8505 has reasonably good leachability and low lime requirements. NaCn consumption was higher than normal primarily because the NaCN concentration was maintained at 2.0 g/L of solution. The pH was easy to control during the test. Sample 8506 has lower leachability and higher lime and NaCN requirements.

These results are preliminary. The samples are select outcrop samples taken during the initial visits to the property. Systematic sampling and additional metallurgical tests will be necessary if a mineral resource is delineated. These samples indicate moderately good recoveries for silver.

Table 16.1 – Description of the Metallurgical Samples.

Sample Number	**Description**	**UTM (NAD27)**
8501/8505 Composite	Outcrop; calcareous sandstone	288029E/4412188N 287990E/4412277N
8506	Outcrop: low Ca and Mg sandstone	287987E/4412295N

Table 16.2 – Overall Metallurgical Results, Bottle Roll Tests

	Samples					
	8501/8505 Composite			**8506**		
	Au		**Ag**	**Au**		**Ag**
Extraction %, 48 hours	67.3		58.4	35.1		39.1
Extraction %, 72 hours	71.2		62.6	37.8		42.4

Extraction %, 96 hours	75.0		65.9	40.5		46.6
Extracted, oz/ton ore	0.0039		1.2	0.0015		7.09
Tail Assay, oz/ton (1)	0.0013		0.62	0.0022		8.14
Calc. Head, oz/ton ore	0.0052		1.82	0.0037		15.23
Assay Head, oz/ton ore(2)	0.0048		1.57	0.0039		17.15
NaCN consumed, lb/ton ore		1.05			10.69	
Lime added, lb/ton ore		3.3			62.5	
Final pH		11.2			10.7	
Natural pH (40% solids)		7.6			6.3	
(1) Avg of Triplicate Tail Assays						
(2) Head Grade provided by Cordex						
Tests were run at pH 11 and 2.0 g NaCN/L (maintained)						
Data from McClelland, 2006						

Mineral Resource Estimate

No mineral resource or reserve has been estimated for the Silver Dome Property.

Other Relevant Data and Information

There is a Wilderness Study Area (WSA) that covers most of the Fish Springs Range (UT-050-127). The exact location of the boundary is unknown because its location is based on maps rather than aliquot parts of the public land system. This issue is addressed by the Title Report (Jensen, 2008) which also notes that the overlap of the Silver Dome claims on the WSA is approximately 100 feet along the eastern edge of the property (or 800 feet if the Potential WSA is included). It further states that the Potential WSA does not preclude location of mining claims and the claims included in this report would be senior to any expanded WSA lands and thus grandfathered. The work program that is the subject of this report does not include any exploration targets on this overlap zone.

A report on the WSA's of Utah describes the mineral resource potential of the Fish Springs Range WSA. It describes the Fish Springs Mining District as located west of the boundary of the WSA and that there has been no recorded production from the WSA (U.S. Bureau of Mines, 1989).

The Fish Springs Range has been a WSA since the 1980's and a mineral survey was completed (Lindsey and others, 1989). Their summary of the mineral potential is shown in Figure 18.1. The portion of the WSA adjacent to Silver Dome and the nearby Crypto deposit is considered to have "high mineral resource potential" for lead, zinc, copper, molybdenum, silver and gold. A geochemical study of the Fish Springs WSA supports this conclusion (Korzeb, S.L., 1986) and further work was recommended by all of the studies of the WSA to determine the boundaries and exclude areas of high mineral potential.

There has been no final decision on the WSA and therefore it is unknown whether a Wilderness Area will be created and if so, what the exact boundaries will be.

Interpretation and Conclusions

The Corporation has been successful in defining several targets for further exploration at Silver Dome. A systematic exploration program has extended the known areas of mineralization north from the historic workings at the Cactus Mine. Detailed geologic mapping indicated that the favorable host rocks and structural zones extend west from the range front under the alluvial cover of the Great Salt Lake Desert valley. A geophysical survey designed to determine the depth and character of bedrock beneath the alluvial cover was expanded several times to follow up on significant anomalous zones. The claim block was also expanded to accommodate new areas of interest.

Cordex's initial quartzite hosted fracture controlled target extending west from the range front beneath the pediment is only one of several exploration targets that should be tested with drill holes. Replacement bodies, skarns and porphyry deposits may also lie at depth on the northeast and northwest portions of the claims.

- The initial target defined by Cordex personnel was based on rock chip sampling and geologic mapping of the small area of outcrop near the Cactus Mine in the northwest portion of the property (G on Figure 10.5). The relatively small area of mineralization was expanded to the north and south to include approximately 2000 feet of strike length. Silver mineralization in the shallow to moderate west dipping Watson Ranch Quartzite occurs in low matrix sandstone adjacent to northeast and northwest trending structures. Based on 79 rock chip samples, silver+lead+gold+arsenic+copper+molybdenum+nickel+antimony+zinc is the trace element assemblage. Strong lead anomalies are associated with silver; the highest silver value is 2750 ppm and the highest lead value is 864,300 ppm. A resistivity contrast at the range front indicates a northeast trending structure and/or lithologic contact. The silver and base metal mineralization associated with the historic mineralization in the Fish Springs District and at Silver Dome may be distal polymetallic mineralization associated with the large intrusive body at Crypto.

Following the geophysical survey over most of the Silver Dome property, several additional targets were defined beneath the alluvial cover in the Great Salt Lake Desert.

- The magnetic high with a source 1000-1500 meters beneath the surface may be the southern boundary of the intrusive at Crypto (A on Figure 10.5). If so, there may be another Crypto zinc skarn/replacement deposit or deeper porphyry copper or molybdenum mineralization. This area is completely covered by alluvium and will require deep drilling to test the target.
- A small shallow (50-120 meters depth) irregularly shaped magnetic anomaly occurs in the south central portion of the property (B on Figure 10.5). It is complex and may have dikes or faults cutting it in several places.
- A large magnetic high in the northwest corner of the survey is only the edge of an anomaly, and therefore difficult to define (C on Figure 10.5). It is probably at least 250-300 meters to the source. It is interpreted to be an intrusive and a northeast trending westward displaced structure.
- Additional magnetic highs are interpreted to be structural features or lithologic contacts (D, E and F on Figure 10.5). The linears associated with the interpreted intrusive bodies are targets for further exploration.

The work completed has delineated several targets. The lack of subsurface information makes interpretation of the geophysical anomalies difficult. There are several drill targets defined. **The targets are all high risk due to the lack of previous drill data.**

Recommendations

The author concludes that the merits of the Silver Dome Property are sufficient to undertake the following work program. Proposed drill holes are shown on Figure 20.1 of the Silver Dome Report.

- Detailed mapping of the outcrop area. The structures and different horizons in each stratigraphic unit should be mapped in detail to determine the favorable rock types and structural orientations favorable for silver mineralization. Additionally, alteration mapping particularly towards the north may help to determine if the Silver Dome and Crypto mineralizing systems are related.
    - Approximately 2 weeks. $10,000

- Additional rock chip sampling. A rock chip sampling program should include the areas to the north of the Cactus Mine. The purpose is to determine the extent of the precious and base metal mineralization and the zonation of mineralization towards the Crypto deposit to the north.
    - Approximately 10 days. $12,000
- Compile all regional data available on the structure of Silver Dome. Structural intersections associated with the silver mineralization will be targets beneath the alluvium.
    - Approximately 5 days. $3,000
- Commence the permitting process with the BLM and State of Utah.
    - Approximately $5,000
- The following drill holes are recommended based on available information. The angles and directions should be modified as the program progresses. **Each of these is a high risk target because of the lack of previous drill data**. The costs are estimated and include all activities related to the drill program.
    - The area west of the Cactus Mine.
        - Drill 10 holes, 500 feet each for a total of 5000 feet
        - Each drill hole -60 to -70 degrees to the southeast (azimuth 130 degrees).
        - Two east west lines of holes approximately 300 feet apart along the following orientations.
            - Along line 4411900N; 287500E (PDH-1), 287400E (PDH-2), 287300E (PDH-3), 287200E (PDH-4), 287100E (PDH-5)
            - Along line 4411700N; 287450E (PDH-6), 287350E (PDH-7), 287250E (PDH-8)
            - Along line 4412100N; 287600E (PDH-9), 287500E (PDH-10
        - Cost: Approximately $150,000
    - The irregular circular magnetic high.
        - Drill 5 holes, 500 feet each for a total of 2500 feet.
        - Each drill hole -60 to -70 degrees to the southeast (azimuth 100 degrees).
        - Target is the boundary of the magnetic anomaly where the structures or dikes intersect.
        - The following 5 locations are recommended:
            - 4410500N/285200E (from Lide, 2007) (PDH-11)
            - 4410300N/285650E (PDH-12)
            - 4410650N/285200E (PDH-13)
            - 4410500N/285800E (PDH-14)
            - 4410700N/285900E (PDH-15)
        - Cost: Approximately $75,000
    - Northwest magnetic high.
        - Drill 2 drill holes, 750-1000 feet each for a total of 2000 feet.
        - 4413200N/284200E; -60 degrees to the southeast (azimuth 100 degrees) (from Lide, 2007) (PDH-16)
        - 4413800N/284300E; -60 degrees to the northeast (azimuth 60 degrees) (PDH-17)
        - Cost: Approximately $75,000.
    - Crypto South (deep target).
        - Drill 2 drill holes, 2000 to 3000 feet deep for a total of 5000 feet.
        - Target is the southern extension of the Crypto mineralization.
        - 4413500N/287000E; -60 degrees to the northeast (azimuth 50 degrees) (PDH-18)
        - 4413250N/287800E; -60 degrees, due north (PDH-19)
        - Cost: Approximately $300,000.

The above program will cost approximately US$630,000.

CLANTON HILLS PROPERTY

The Clanton Hills Property consists of 32 unpatented mining claims covering approximately 661 acres, located 70 miles (112 kilometers) west of Phoenix, Arizona.

The Corporation's 100% interest in the Clanton Hills Property is held pursuant to the Cordex Agreement under which Cordex is entitled to a 2% net smelter royalty.

The Corporation plans to seek an option agreement with an industry partner to advance exploration and development of the property.

FERGUSON FLATS PROPERTY

The Ferguson Flats Property consists of 80 unpatented mining claims staked in 2008 and covering approximately 1,652 acres, located in Elko County, Nevada.

The Corporation's 100% interest in the Ferguson Flats Property is held pursuant to the Cordex Agreement under which Cordex is entitled to a 2% net smelter royalty.

The Corporation plans to seek an option agreement with an industry partner to advance exploration and development of the property.

KEG PROPERTY

The Keg Property consists of 50 unpatented mining claims, covering approximately 1033 acres, located 25 miles (40 kilometers) northwest of Delta, Utah. Subject to royalties, the Corporation's 100% interest in the Keg Property is held pursuant to the Cordex Agreement. Thirty-five claims were staked by Cordex and fifteen are being leased under a ten year lease agreement entered into between Cordex and the lessor effective April 28, 2007. Pursuant to the terms of the lease agreement, advance net smelter royalty ("NSR") payments of US$7,500 are payable on the first anniversary of the lease agreement and escalate by US$2,500 annually in each of the 2nd through 4th anniversaries. Advance NSR payments in 2012 and in each subsequent year are US$25,000. The lease agreement also provides for an area of interest, whereby any new mining claims staked by the parties within ½ mile of the property boundary will be subject to the lease agreement.

The leased claims that form the Keg Property are subject to a 3% NSR to the lessor and a 1% NSR to Cordex. Cordex, and consequently the Corporation, has the right to purchase 1% of the lessor's NSR for USD$1,000,000. The staked claims that form the property are subject to a 2% NSR to Cordex.

The Corporation plans to seek an option agreement with an industry partner to advance exploration and development of the property.

SILVER DISTRICT PROPERTY

The Silver District Property consists of 125 unpatented mining claims, 4 patented claims and one state lease, totaling approximately 3298 acres, covering the historic Silver District in southwest Arizona.

Subject to net smelter royalties, the claims which form the Silver District property are 100% owned by the Corporation with the exception of the mineral exploration permit; the Red Cloud patented claim and two unpatented claims held pursuant to a lease agreement; and, the James G. Blaine patented claim held pursuant to an option agreement. In addition, 93 unpatented claims that form the Silver District Property are subject to a 1.5% NSR.

On August 26, 2005, the Corporation obtained a mineral exploration permit covering 636 acres from the Arizona State Land Department. The permit is renewable annually for a fee of US$1,272 and is valid for a period of 5 years. In order to renew the permit, the Corporation must incur exploration expenditures of $20/acre in the respective year.

The Red Cloud patented claim lease agreement, dated August 28, 2006, has a term of 20 years and is renewable for an additional 20 years and provides for annual lease payments to the lessor of US$5,000 in each of the first 4 years of the agreement; US$7,500 in years 5 through 9; and, US$10,000 in subsequent years. The lease provides for a 2% net returns royalty to the lessor.

Under the terms of the option agreement, dated February 1, 2007, the Corporation can earn a 100% interest in the James G. Blaine patented claim by making cash payments totalling US$300,000 over 7 years. The option agreement provides for a 5% net profits interest ("NPI") to the vendors.

On September 1, 2007, the Corporation entered into an agreement to acquire the Black Rock and Pacific patented claims at Silver District. The purchase price was US$61,000.

Historical (19th Century) production at Silver District totalled approximately 1.37 million ounces silver.[1]

The Corporation plans to seek an option agreement with an industry partner to advance exploration and development of the property.

USE OF PROCEEDS

Proceeds

There is a minimum amount of $1,464,000 and a maximum amount of $4,803,750 net proceeds to be received by the Corporation under the Offering. There are no provisions or arrangements for holding any part of the net proceeds in trust or escrow subject to the fulfillment of conditions.

Funds Available

If the minimum number of Units under this Offering is sold, then the net proceeds to the Corporation will be $1,464,000 and if the maximum number of Units under this Offering is sold, the net proceeds will be $4,803,750. As at July 31, 2008, the Corporation's consolidated working capital (unaudited) was $38,222, resulting in funds available of $1,502,222 and $4,841,972 for the minimum and maximum offerings respectively, which funds are intended to be spent by the Corporation in order of priority, as follows:

Purpose	**Funds Available**	
	Minimum Offering	***Maximum Offering***
To pay the remaining estimated costs of this Offering (including the balance of the Corporate Finance Fee, legal, audit, regulatory, listing and printing costs)	$130,000	$130,000

[1] Wilson, Eldred, 1933, Geology and Mineral Deposits of Southern Yuma County, Arizona. Arizona Bureau of Mines, Geological Series No. 7, Bulletin 134. 236 pages plus plates.

Purpose	Funds Available	
	Minimum Offering	***Maximum Offering***
To pay the estimated cost of the recommended exploration program (US$630,000) on the Silver Dome Project, the Corporation's only material property	$630,000	$630,000
Property payments under agreements relating to Silver Dome, Clanton Hills, Silver District and Keg Properties for the next 12 months	$57,606	$57,606
To pay Cordex pursuant to the operator agreement for the next 12 months	$72,000	$72,000
To pay the promissory note due to Columbus Gold (U.S.) and repay the related party advance from Columbus Gold (1)	-	-
To pay estimated general and administrative expenses for 12 months	$495,072(2)	$495,072(2)
To provide unallocated working capital(3)	$117,544	$3,457,294
TOTAL	$1,502,222	$4,841,972

(1) The Property Note and Working Capital Loan with Columbus Gold (U.S.) and Columbus Gold, respectively, included in the Corporation's working capital balance in the Final Prospectus have been extended until August 31, 2010. Therefore, they have not been included in the Corporation's working capital balance as at July 31, 2008 in this Amended and Restated Final Prospectus. See "General Development of the Business".

(2) See page 25 under the heading "Use of Proceeds – Estimated General and Administrative Expenses for the Next 12 Months" for the breakdown of the G&A expenses.

(3) The Corporation intends to use the unallocated working capital primarily to fund future mineral property acquisition opportunities which it may identify.

Estimated General and Administrative Expenses for the Next 12 Months

The following table provides a breakdown of estimated general and administrative expense for the next 12 months:

Estimated General and Administrative Expenses for the Next 12 Months	$
Management Fees	$72,000
Rent and Corporate Administration (full service office including: accounting, paralegal, administrative)	$143,830
Legal Fees	$50,000
Annual Audit	$25,000
Transfer Agent Fees	$15,000
Filing Fees	$11,400
Investor Relations and Promotion	$177,842
TOTAL	$495,072
MONTHLY AMOUNT	$41,256

The Corporation intends to carry out the recommended exploration program on its Silver Dome Property during 2008. It will also seek partners to undertake exploration of its other properties and will seek other prospective mineral exploration properties for acquisition. See “Narrative Description of the Business”.

Upon completion of the Offering, the Corporation’s working capital available to fund ongoing operations will be sufficient to meet its administrative costs and exploration expenditures for twelve months. The Corporation intends to spend the funds available to it as stated in this Prospectus. There may be circumstances however, where, for sound business reasons, a reallocation of funds may be necessary.

SELECTED FINANCIAL INFORMATION AND MANAGEMENT DISCUSSION AND ANALYSIS

Annual Information

The following table sets forth summary financial information of the Corporation for the period from incorporation on May 18, 2007 to September 30, 2007**.** This information has been summarized from the Corporation’s audited consolidated balance sheet as at September 30, 2007 and statement of operations for the then ended. This summary financial information should only be read in conjunction with the Corporation’s audited consolidated financial statements, including the notes thereto, included as Appendix A to this Prospectus.

	As at and for the period of incorporation to Sept. 30, 2007 ($)
Financial results:	
Total Revenue	nil
Loss before foreign exchange gain	30,218
Loss and comprehensive loss for the period	12,198
Basic and diluted loss per share [(1)]	0.00
Balance sheet data:	
Cash and short term deposits	17,082
Mineral properties	587,870
Total assets	688,760
Total long-term liabilities	nil
Cash dividends per share	nil
Shareholder’s deficiency	(12,197)

(1) For purposes of the loss per share calculations the stock split of 1 old for 4,000,000 new have been applied to all periods presented**.**

Quarterly Information

	As at and for the six month period ended Mar. 31, 2008 ($)
Financial results:	
Total Revenue	nil
Loss before foreign exchange gain	127,990
Loss and comprehensive loss for the period	139,398
Basic and diluted loss per share	0.03
Balance sheet data:	
Cash and short term deposits	23,096
Mineral properties	735,844
Total assets	881,587
Total long-term liabilities	nil
Cash dividends per share	nil
Shareholder’s deficiency	(151,595)

Dividends

There are no restrictions in the Corporation’s articles or pursuant to any agreement or understanding which could prevent the Corporation from paying dividends. The Corporation has neither declared nor paid any dividends on its Common Shares. The Corporation intends to retain its earnings to finance growth and expand its operations and does not anticipate paying any dividends on its Common Shares in the foreseeable future. Any decision to pay dividends on Common Shares in the future will be made by the board of directors of the Corporation on the basis of the earnings, financial requirements and other conditions existing at such time.

MANAGEMENT'S DISCUSSION AND ANALYSIS

General

The following discussion and analysis is based on the Corporation's results of operations and financial position disclosed in, and should be read in conjunction with, the interim consolidated financial statements and the audited annual consolidated financial statements included herein. The financial statements have been prepared in accordance with Canadian generally accepted accounting principles. All dollar figures included therein and in the following management's discussion and analysis are stated in Canadian dollars unless otherwise noted.

The preparation of consolidated financial statements requires the Corporation to select from possible alternative accounting principles, and to make estimates and assumptions that determine the reported amounts of assets and liabilities at the balance sheet date and reported costs and expenditures during the reporting period. Estimates and assumptions may be revised as new information is obtained, and are subject to change. The Corporation's accounting policies and estimates used in the preparation of the consolidated financial statements are considered appropriate in the circumstances, but are subject to judgments and uncertainties inherent in the financial reporting process.

Property acquisition costs and related direct exploration costs may be deferred until the properties are placed into production, sold, abandoned, or written down, where appropriate. The Corporation's accounting policy is to capitalize exploration costs consistent with Canadian GAAP and applicable guidelines for exploration stage companies. The policy is consistent with other junior exploration companies which have not established mineral reserves objectively. An alternative policy would be to expense these costs until sufficient work has been done to determine that there is a probability a mineral reserve can be established; or alternatively, to expense such costs until a mineral reserve has been objectively established. Management is of the view that its current policy is appropriate for the Corporation at this time. Based on annual impairment reviews made by management, or earlier if circumstances warrant, in the event that the long-term expectation is that the net carrying amount of these capitalized exploration costs will not be recovered, then the carrying amount is written down accordingly and the write-down charged to operations. A write-down may be warranted in situations where a property is to be sold or abandoned; or exploration activity ceases on a property due to unsatisfactory results or insufficient available funding.

All disclosure of scientific or technical information on the Corporation's mineral properties contained in this Management's Discussion and Analysis, with the exception of the information presented in the Silver Dome Technical Report, is based on information prepared by or under the supervision of the Corporation's Qualified Person, Andy Wallace.

DESCRIPTION OF BUSINESS

The Corporation was incorporated on May 18, 2007 under the laws of the Province of British Columbia, Canada. The Corporation's principal business activities are the acquisition, exploration and development of mineral properties, with silver as a principal focus. Currently, all of the Corporation's mineral properties are located in the United States. The Corporation is in the process of exploring and developing these mineral properties but has not yet determined whether the properties contain ore reserves that are economically recoverable.

Results of Operations

During the six months ended March 31, 2008, the Corporation experienced a net loss of $139,398. Expenses totalled $127,990 and were comprised primarily of legal fees ($35,281), property investigation costs ($27,315) and interest expense ($19,295) on outstanding loans. All other costs incurred were capitalized into the Corporations mineral properties.

During the period ended September 30, 2007, the Corporation experienced a net loss of $12,198. Expenses totalled $30,218 and were comprised primarily of legal fees. A foreign exchange gain of $18,020 resulted from the USD denominated promissory note decreasing in value due to the favourable Canadian exchange rate at period end. All other costs incurred were capitalized into the Corporation's mineral properties.

Financial Condition

At March 31, 2008, the Corporation had current assets of $65,554, which included a cash balance of $23,096 and other current assets of $42,458. The Corporation had a working capital deficit of $967,628, of which the majority of current liabilities were owing to Columbus Gold (U.S.) under the Property Note and cash advances to the Corporation.

As at March 31, 2008, the Corporation had total assets of $881,587 and total liabilities of $1,033,182. The principal assets of the Corporation were its mineral exploration properties in Utah and Arizona, with a carrying value of $735,844 representing 83% of its total assets, and all advances for exploration expenditures in the amount of $80,189.

The Corporation had no long term debt at the end of the period. However, effective July 1, 2008, the Corporation amended two existing loan agreements with Columbus Gold and Columbus Gold (U.S.). The terms of the amendments are outlined under the "Liquidity" and "Capital Resources" sections.

Based on the Corporation's anticipated administrative overhead, upon completion of the Offering, the Corporation will have sufficient capital to fund operations for approximately 12 months under the minimum offering and 24 - 30 months under the maximum offering. The Corporation estimates that it will cost $630,000 to complete its stated business objectives herein, being the completion of its Phase I exploration program on the Silver Dome Property, and that such will be completed within the first 12 months after completion of the Offering. Additional property acquisitions and any further exploration activity on the Silver Dome Property will be dependent on the amount of unallocated working capital available.

MINERAL PROPERTIES

Currently, the Corporation is focusing its exploration activities on potential silver properties located in the western United States, and in particular Utah and Arizona. The Corporation's principal property, on which it has prepared a technical report under National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("**NI 43-101**"), is the Silver Dome Property. The report is available via the Corporation's profile on SEDAR.

The following is a breakdown of the carrying value of the Corporation's mineral properties:

	September 30, 2007	Acquisition Cost	Deferred Exploration	Write-down/ Amortization	**March 31, 2008**
Silver District	$ **281,899**	$ 37,883	$ 9,825	$ -	**$ 329,607**
Silver Dome	**225,173**	193	66,522	-	**291,888**
Clanton Hills	**35,919**	-	3,385	-	**39,304**

Keg	**44,879**	-	17,048	-	**61,927**
Ferguson Flats	**-**	2,799	10,319	-	**13,118**
Total Properties	**$ 587,870**	**$ 40,875**	**$ 107,099**	**$ -**	**$ 735,844**

	May 18, 2007	Acquisition Cost	Deferred Exploration	Write-down/ Amortization	**September 30, 2007**
Silver District	$ -	$ 278,106	$ 3,793	$ -	**$ 281,899**
Silver Dome	-	212,392	12,781	-	**225,173**
Clanton Hills	-	35,919	-	-	**35,919**
Keg	-	44,554	325	-	**44,879**
Total Properties	**$ -**	**$ 570,971**	**$ 16,899**	**$ -**	**$ 587,870**

LIQUIDITY

The Corporation does not currently own or have an interest in any producing mineral properties and does not derive any revenues from operations. The Corporation's activities have been funded through a combination of the extension of accounts payable and related party advances from Columbus Gold. The Corporation fully expects that it will continue to be able to utilize this source of financing until it completes its initial public offering. However, if such funds are not available or other sources of finance cannot be obtained, then the Corporation will be forced to curtail its activities to a level for which funding is available and can be obtained.

In September 2007, in consideration of the Property Note to Columbus Gold (U.S.) of US$540,465, the Corporation acquired its silver properties, and the Property Note was subsequently amended effective July 1, 2008 to be extended from August 31, 2008 to August 31, 2010. Furthermore, Columbus Gold (U.S.) has been given the right to convert the principal amount outstanding under the Property Note or a portion thereof into common shares of the Corporation at a price of $0.50 per share (or, if the Corporation has completed its initial public offering on or before the date of the conversion notice, at a conversion rate equal to the price at which the securities of the Corporation were sold thereunder). All other terms of repayment remain the same.

Pursuant to the Working Capital Loan with Columbus Gold, operating cash was provided to the Corporation and as at March 31, 2008 the Corporation had borrowed $418,932. The cash outflow from operations for the six month period ended March 31, 2008 was $136,021, and cash used in exploring its silver properties was $147,974, inclusive of $40,875 in acquisition costs. An increase of cash and cash equivalents in the amount of $17,082 was recorded for the period. Please see "Capital Resources" section below.

CAPITAL RESOURCES

Pursuant to a Working Capital Loan dated August 14, 2007, Columbus Gold granted a loan facility to the Corporation to borrow up to $300,000. The Working Capital Loan bears an annual simple interest rate of five percent (5%). Operating cash was provided by the Working Capital Loan with Columbus Gold and as at September 30, 2007 the Corporation had borrowed $131,515. Effective July 1, 2008, the Corporation extended the Working Capital Loan with Columbus Gold from August 31, 2008 to August 31, 2010 and increased the amount of the loan facility to $850,000. Furthermore, Columbus Gold has been given the right to convert the principal amount outstanding under the Working Capital Grid Note or a portion thereof into common shares of the Corporation at a price of $0.50 per share (or, if the Corporation has completed its initial public offering on or before the date of the conversion notice, at a conversion rate equal to the price at which the securities of the Corporation were sold thereunder). All other terms of repayment remain the same. As of the date of this prospectus, a total of $747,767 has been advanced under the Working Capital Loan.

During the six month period ended March 31, 2008, the Corporation engaged Union Securities Ltd. (the "**Agent**") to act as Agent for the Offering.

COMMITMENTS

In September 2007, the Corporation entered into an operations agreement with Cordex, a company that shares an officer in common with the Columbus Silver (U.S.), to design, initiate and carry out mineral exploration and development activities in Nevada, and elsewhere in the United States on behalf of the Corporation with the objective of identifying, acquiring and exploring new mineral properties and operating exploration programs on the Corporation's existing portfolio of mineral properties.

The agreement in place with Columbus Silver (U.S.) expires on December 31, 2009, but it contains an option to extend, under certain conditions, for up to an additional four years. Columbus Silver (U.S.) provides Cordex with general operating capital, exclusive of third party contractor expenses, of up to US$6,000 per month which includes a monthly management fee to Cordex of US$2,500.

Further, Cordex is entitled to receive up to a 2% NSR on any claims that it stakes on behalf of the Corporation. If claims or mineral rights are identified by Cordex and acquired from third parties, then the Cordex NSR shall be the difference between a 4% NSR and the third party royalty provided, however, it shall be no less than 1% or greater than 2%. All properties acquired by the Corporation within two miles of a claim generated by Cordex will fall under an area of influence and become subject to the agreement.

RELATED PARTY TRANSACTIONS

During the six month period ended March 31, 2008, the Corporation incurred $14,888 (US$15,000) in geologist fees to Cordex, a company that shares an officer in common with Columbus Silver (U.S.).

During the six months ended March 31, 2008, the Corporation borrowed an additional $287,417, for a total of $419,496, from Columbus Gold pursuant to the loan agreement and related promissory grid note discussed below.

At March 31, 2008, a total of $80,189 was advanced to Cordex for planned future exploration expenditures on the Corporation's mineral properties.

The following are related party transactions for the period ended September 30, 2007:

a) The Corporation incurred $2,202 (US$2,200) in geologist fees to Cordex, a company that shares an officer in common with Columbus Silver (U.S.).

b) The Corporation issued the Property Note for $564,342 (US$540,465), bearing interest at 5% and with a maturity date of August 31, 2008, to acquire four silver properties from Columbus Gold (U.S.) a company under common control. At September 30, 2007, a total of $544,725 (US$542,717), which includes accrued interest of $2,260 (US$2,252), was owing to Columbus Gold (U.S.) under the promissory note.

c) The Corporation entered into the Working Capital Loan Agreement and related promissory grid note with Columbus Gold, providing for cash advances of up to $300,000. Advances bear interest at 5% simple interest with a maturity date of August 31, 2008. As at September 30, 2007, a total of $132,079, which includes accrued interest of $564, was owing to Columbus Gold for cash advances required to commence initial operations.

At September 30, 2007, a total of $82,781 was advanced to Cordex for planned future exploration expenditures on the Corporation's mineral properties.

These transactions were in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

SUBSEQUENT EVENTS

Subsequent to the end of the 6-month period ended March 31, 2008:

a) The Final Prospectus was receipted in all the proposed jurisdictions (including BC, AB, SK, ON). Union Securities Ltd. continues to assist the Corporation in its IPO. Under the proposed terms of the amended offering, the Corporation will raise between $1,600,000 and $5,250,000 through the issuance of units at $0.25 per unit. Each unit will consist of a common share and a share purchase warrant exercisable into an additional common share at $0.70 per share for a period on 18 months from the date of closing.

b) Effective July 1, 2008, the Corporation extended the Property Note with Columbus Gold (U.S.) from August 31, 2008 to August 31, 2010. Additionally, the Corporation extended the Working Capital Grid Note with Columbus Gold from August 31, 2008 to August 31, 2010 and has increased the amount of the loan facility from $300,000 to a maximum of $850,000. Furthermore, Columbus Gold (U.S.) and Columbus Gold have been given the right to convert the principal amounts outstanding under their respective loans or a portion thereof into common shares of the Corporation at a price of $0.50 per share (or, if the Corporation has completed its initial public offering on or before the date of the conversion notice, at a conversion rate equal to the price at which the securities of the Corporation were sold thereunder). All other terms of repayment remain the same.

RISKS AND UNCERTAINTIES

The Corporation is in the mineral exploration and development business and as such is exposed to a number of risks and uncertainties that are not uncommon to other companies in the same business. Exploration for mineral resources involves a high degree of risk, and the cost of conducting programs may be substantial and the likelihood of success is difficult to assess. The Corporation attempts to mitigate its exploration risk through joint ventures with other companies.

Beyond exploration risk, management is faced with other possible risks which include the following:

Limited Operating History

The Corporation has no history of earnings. The Corporation's properties are in the exploration stage and there are no known commercial quantities of mineral reserves on the Corporation's properties. The purpose of this Offering is to raise funds to carry out exploration and development with the objective of establishing economic quantities of mineral reserves. There can be no assurance that any economic quantities of mineral reserves will be discovered on the Corporation's properties.

Title Risks

Although the Corporation has exercised the usual due diligence with respect to determining title to properties in which it has a material interest, there is no guarantee that title to such properties will not be challenged or impugned or revoked. The Corporation's mineral property interests may be subject to prior unregistered agreements or transfers or native land claims and title may be affected by undetected defects. Surveys have not been carried out on any of the Corporation's mineral properties in accordance with the laws of the jurisdiction in which such properties are situated; therefore, their existence and area could be in doubt. Until competing interests in the mineral lands have been determined, the Corporation can give no assurance as to the validity of title of the Corporation to those lands or the size of such mineral lands.

Exploration and Development

Resource exploration and development is a speculative business, characterized by a number of significant risks including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but also from finding mineral deposits that, though present, are insufficient in quantity and quality to return a profit from production. The marketability of minerals acquired or discovered by the Corporation may be affected by numerous factors that are beyond the control of the Corporation and that cannot be accurately predicted, such as market fluctuations, the proximity and capacity of milling facilities, mineral markets and processing equipment, and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting minerals and environmental protection, the combination of which factors may result in the Corporation not receiving an adequate return of investment capital.

All of the claims to which the Corporation has a right to acquire an interest are in the exploration stage only and are without a known body of commercial ore. Development of the subject mineral properties would follow only if favourable exploration results are obtained.

The business of exploration for minerals and mining involves a high degree of risk. Few properties that are explored are ultimately developed into producing mines. There is no assurance that the Corporation's mineral exploration and development activities will result in any discoveries of commercial bodies of ore. The long-term profitability of the Corporation's operations will in part be directly related to the costs and success of its exploration programs, which may be affected by a number of factors.

Substantial expenditures are required to establish reserves through drilling and to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that funds required for development can be obtained on a timely basis.

Uninsurable Risks

Exploration, development and production of mineral properties is subject to certain risks, and in particular, unexpected or unusual geological operating conditions including rock bursts, cave-ins, fires, flooding and earthquakes may occur. It is not always possible to insure fully against such risks and the Corporation may decide not to take out insurance against such risks as a result of high premiums or for other reasons. Should such liabilities arise, they could have an adverse impact on the Corporation's operations and could reduce or eliminate any future profitability and result in increasing costs and a decline in the value of the securities of the Corporation.

Environmental Regulations, Permits and Licenses

The Corporation's operations may be subject to environmental regulations promulgated by government agencies from time to time. Environmental legislation provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining industry operations, such as seepage from tailings disposal areas, which would result in environmental pollution. A breach of such legislation may result in the imposition of fines and penalties. In addition, certain types of operations require the submission and approval of environmental impact assessments. Environmental legislation is evolving in a manner that means standards are stricter, and enforcement, fines and penalties for non-compliance are more stringent. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and directors, officers and employees. The cost of compliance with changes in governmental regulations has a potential to reduce the profitability of operations. The Corporation intends to comply fully with all environmental regulations.

The current or future operations of the Corporation, including development activities and commencement of production on its properties, require permits from various federal, state or territorial and local governmental authorities, and such operations are and will be governed by laws and regulations governing prospecting, development, mining, production, exports, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters.

Such operations and exploration activities are also subject to substantial regulation under applicable laws by governmental agencies that may require the Corporation to obtain permits from various governmental agencies. There can be no assurance, however, that all permits that the Corporation may require for its operations and exploration activities will be obtainable on reasonable terms or on a timely basis or that such laws and regulations will not have an adverse effect on any mining project which the Corporation might undertake.

Failure to comply with applicable laws, regulations, and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations and, in particular, environmental laws.

Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Corporation and cause increases in capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in development of new mining properties.

To the best of the Corporation's knowledge, it is operating in compliance with all applicable rules and regulations.

Competition

The mining industry is intensely competitive in all its phases, and the Corporation competes with other companies that have greater financial resources and technical facilities. Competition could adversely affect the Corporation's ability to acquire suitable properties or prospects in the future.

Management

The success of the Corporation is currently largely dependent on the performance of its directors and officers. There is no assurance the Corporation can maintain the services of its directors and officers or other qualified personnel required to operate its business. The loss of the services of these persons could have a material adverse affect on the Corporation and its prospects.

Fluctuating Mineral Prices

Factors beyond the control of the Corporation may affect the marketability of metals discovered, if any. Metal prices have fluctuated widely, particularly in recent years. The effect of these factors on the Corporation's operations cannot be predicted.

Future Financings

The continued operation of the Corporation will be dependent upon its ability to generate operating revenues and to procure additional financing. There can be no assurance that any such revenues can be generated or that other financing can be obtained on terms acceptable to the Corporation. Failure to obtain additional financing on a timely basis may cause the Corporation to postpone development plans, forfeit rights in some or all of its properties or joint ventures, or reduce or terminate some or all of its operations.

Price Volatility of Publicly Traded Securities

In recent years, the securities markets in the United States and Canada have experienced a high level of price and volume volatility, and the market prices of securities of many companies have experienced wide fluctuations in price that have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. It may be anticipated that any quoted market for the Common Shares will be subject to market trends and conditions generally, notwithstanding any potential success of the Corporation in creating revenues, cash flows or earnings. The value of securities distributed hereunder will be affected by market volatility.

Before this Offering, there has been no public market for the Corporation's Common Shares. An active public market for the Common Shares might not develop or be sustained after this Offering. The listing of the Common Shares on an exchange, market or other quotation system is not a guarantee of liquidity. The initial public offering price of the Units has been determined by negotiations between the Corporation and representatives of the Agent and this price will not necessarily reflect the prevailing market price of the Common Shares following this Offering. If an active public market for the Common Shares does not develop, the liquidity of a shareholder's investment may be limited and the share price may decline below the initial public offering price.

Foreign Currency Exchange

Exchange rate fluctuations may affect the costs that the Corporation incurs in its operations. The Corporation's financing activities have been denominated in Canadian dollars, while the expenditures to be incurred by the Corporation on its mineral exploration projects in the United States will be denominated in U.S. dollars. The appreciation of the US dollar against the Canadian dollar, if it occurs, would result in increased costs of the Corporation's activities in the United States in Canadian dollar terms, and currency movements may have a significant impact on the Corporation's financial position and results of operations in the future.

CHANGES IN ACCOUNTING POLICIES

Adoption of New Canadian Accounting Pronouncements

a) Accounting Changes

Effective October 1, 2007, the Corporation adopted revised CICA Section 1506, *Accounting Changes*, which provides expanded disclosures for changes in accounting policies, accounting estimates and corrections of errors. Under this standard, accounting changes should be applied retrospectively unless otherwise permitted or where impracticable to determine. As well, voluntary changes in accounting policy are made only when required by a primary source of GAAP or the change results in more relevant and reliable information. The adoption of this section had no material impact on the consolidated financial statements of the Corporation.

b) Financial Instruments, Comprehensive Income, and Hedges

On October 1, 2007, the Corporation adopted the CICA Handbook Sections 1530, *Comprehensive Income*; Section 3855, *Financial Instruments – Recognition and Measurement*; Section 3861, *Financial Instruments – Disclosure and Presentation*; and Section 3865, *Hedges*.

(i) Financial Instruments

Under Section 3855, financial assets and liabilities, including derivative instruments, are initially recognized and subsequently measured based on their classification as held-for-trading, available for sale financial assets, held to maturity, loans and receivables, or other financial liabilities as follows:

- Held-for-trading financial instruments are measured at their fair value with changes in fair value recognized in net income for the period.
- Available for sale financial assets are measured at their fair value and changes in fair value are included in other comprehensive income until the asset is removed from the balance sheet.
- Held-to-maturity investments, loans and receivables and other financial liabilities are measured at amortized cost using the effective interest rate method.
- Derivative instruments, including embedded derivatives, are measured at their fair value with changes in fair value recognized in net income for the period unless the instrument is a cash flow hedge and hedge accounting applies in which case changes in fair value are recognized in other comprehensive income.

Upon adoption of this new standard, the Corporation designated its cash and cash equivalents as held-for-trading, which is measured at fair value. Receivables have been designated as loans and receivables, which are measured at amortized cost. Accounts payable and accrued liabilities and due to related parties are classified as other financial liabilities, which are measured at amortized cost.

Unless otherwise noted, it is management's opinion that the Corporation is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair value of these financial instruments approximates their carrying value due to their short-term maturity or capacity of prompt liquidation.

CICA Handbook Section 3861 establishes standards for presentation of financial instruments and non-financial derivatives, and identifies the information that should be disclosed about them.

(ii) Comprehensive Income

Section 1530 introduces the concept of comprehensive income, which is calculated by including other comprehensive income with net income. Other comprehensive income represents changes in shareholders' equity arising from transactions and other events with non-owner sources such as unrealized gains and losses on financial assets classified as available-for sale.

(iii) Hedges

Section 3865 specifies the circumstances under which hedge accounting is permissible and how hedge accounting may be performed, as well as the disclosure requirements. Hedge accounting enables the recording of gains, losses, revenues and expenses from derivative financial instruments in the same period as for those related to the hedged item. The adoption of this section is optional. The Corporation is not currently engaged in hedging activities.

Upon adoption of these new sections, the transition rules require that the Corporation adjusts either the opening deficit or accumulated other comprehensive income as if the new rules had always been applied in the past, without restating comparative figures of prior years. The Corporation has evaluated the impact of these new sections on its consolidated financial statements and determined that no significant adjustments were required upon adoption.

c) *Equity*

Effective January 1, 2007, the Corporation adopted CICA Section 3251, *Equity*, which establishes standards for the presentation of equity and changes in equity during the reporting periods presented. As there are no changes resulting from the adoption of Section 1530, discussed above, the adoption of this policy had no impact on the Corporation's consolidated financial statements for any of the periods presented.

FINANCIAL AND OTHER INSTRUMENTS

Fair value estimates of financial instruments are made in accordance with the new CICA Financial Instruments Standards for recognition, measurement and disclosure of financial instruments. Changes in assumptions can significantly affect estimated fair values.

The carrying value of cash and cash equivalents, receivables, accounts payable and accrued liabilities, promissory note and advances to and from related parties approximate their fair value because of the short-term nature of those instruments.

OFF-BALANCE SHEET ARRANGEMENTS

The Corporation did not enter into any off-balance sheet arrangements during the period.

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The information provided in this report, including the consolidated financial statements, is the responsibility of management. In the preparation of these statements, estimates are sometimes necessary to make a determination of future values for certain assets or liabilities. Management believes such estimates have been based on careful judgments and have been properly reflected in the accompanying interim consolidated financial statements.

DISCLOSURE AND INTERNAL CONTROLS

Disclosure controls and procedures have been established to provide reasonable assurance that material information relating to the Corporation is made known to management, particularly during the period in which annual filings are being prepared. Furthermore, internal controls over financial reporting have been established to ensure the Corporation's assets are safeguarded and to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with Canadian GAAP.

Other Information

Additional information is available on the Corporation's website at www.columbussilvercorp.com.

DESCRIPTION OF SECURITIES DISTRIBUTED

Authorized and Issued Share Capital

The authorized share capital of the Corporation consists of an unlimited number of Common Shares without par value, of which 4,000,000 Common Shares without par value are issued and outstanding on the date hereof.

Units

This Prospectus qualifies the distribution of the Units, each comprised of one Common Share and one Warrant.

Common Shares

The holders of the Common Shares are entitled to receive notice of and to attend and vote at all meetings of the shareholders of the Corporation, and each Common Share shall confer the right to one vote in person or by proxy at all meetings of the shareholders of the Corporation. The holders of the Common Shares, subject to the prior rights, if any, of any other class of shares of the Corporation, are entitled to receive such dividends in any financial year as the board of directors of the Corporation may by resolution determine. In the event of the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, the holders of the Common Shares are entitled to receive, subject to the prior rights, if any, of the holders of any other class of shares of the Corporation, the remaining property and assets of the Corporation.

Warrants

Each Warrant entitles the holder to acquire a Warrant Share for $0.70 for a period of 18 months from the Closing Date. The Warrants will be subject to an acceleration clause whereby if the common shares of the Corporation close at or above $1.00 on the TSXV for a period of 20 consecutive trading sessions, the Corporation will have the option to accelerate the expiry date of the Warrants by giving, within three business days of the aforesaid trading target being met, written notice to the Agent and the holders of the Warrant of the accelerated expiry date, which accelerated expiry date shall not be less than seven days after the date of deemed receipt of the written notice.

Agent's Warrants

This Prospectus also qualifies the distribution of the Agent's Warrants.

CONSOLIDATED CAPITALIZATION

The following table summarizes the Corporation's capitalization as at the date of this Prospectus and after giving effect to this Offering.

Description	Authorized	Outstanding as at September 30, 2007	Outstanding at the date of this Prospectus (unaudited)	Outstanding after giving effect to Minimum Offering(1)(2)	Outstanding after giving effect to Maximum Offering (1)(2)
Common Shares	unlimited	1(3)	4,000,000	10,400,000	25,000,000
Warrants	N/A	-	-	7,040,000	23,100,000
Long Term Debt(4)	Nil	Nil	$1,365,808	$1,365,808	$1,365,808

(1) As partial consideration for the sale of Units pursuant to this Prospectus, the Agent will receive a number of non-transferable Agent's Warrants as is equal to 10% of the number of Units sold pursuant to this Offering. Each Agent's Warrant is exercisable to acquire an Agent's Warrant Share at a price of $0.25 for a period of 18 months from the Closing Date. This Prospectus qualifies the distribution of the Agent's Warrants to the Agent. The issuance of any Agent's Warrants Shares are not reflected in these figures.

(2) If all Warrants issued under this Offering are exercised, the Corporation will issue an additional 6,400,000 Common Shares pursuant to the minimum offering or an additional 21,000,000 Common Shares under the maximum offering, which are not reflected in these figures.

(3) On November 13, 2007 the issued share capital of the Corporation was altered by splitting the one (1) issued Common Share of the Corporation without par value into four million Common Shares without par value.

(4) Effective July 1, 2008, the Company extended maturity date of the Property Note and the Working Capital Loan with Columbus Gold (U.S.) and Columbus Gold, respectively, from August 31, 2008 to August 31, 2010. The extension of these promissory notes has re-classified them as long term debt.

FULLY-DILUTED SHARE CAPITAL

The following tables summarize the fully-diluted share capital of the Corporation after the Offering, assuming completion of the minimum Offering and the maximum Offering.

Minimum Offering	Number and Class of Shares	Percentage
Securities issued and outstanding after completion of the minimum Offering	10,400,000	41.40%
Securities reserved for issuance under warrants	6,400,000	25.48%
Securities reserved for issuance under options	2,080,000	8.28%
Securities reserved for issuance under Agent's Warrants	640,000	2.54%
Maximum number of Securities reserved for issuance under the Property Note and Working Capital Loan	5,602,071[1]	22.30%
TOTAL	25,122,071	100.00%

[1] *Assumes completion of the Offering at $0.25 per Unit, and that the maximum of $850,000 is drawn down by the Corporation under the Working Capital Loan and the Property Note is converted at the exchange rate of 1.0186 (the rate in effect on July 1, 2008).*

Maximum Offering	Number and Class of Shares	Percentage (all classes together)
Securities issued and outstanding after completion of the maximum Offering	25,000,000	44.82%
Securities reserved for issuance under warrants	21,000,000	37.65%
Securities reserved for issuance under options	2,080,000	3.73%
Securities reserved for issuance under Agent's Warrants	2,100,000	3.76%
Maximum number of Securities reserved for issuance under the Property Note and Working Capital Loan	5,602,071[1]	10.04%
TOTAL	55,782,071	100.00%

[1] *Assumes completion of the Offering at $0.25 per Unit, and that the maximum of $850,000 is drawn down by the Corporation under the Working Capital Loan and the Property Note is converted at the exchange rate of 1.0186 (the rate in effect on July 1, 2008)..*

OPTIONS TO PURCHASE SECURITIES

Stock Option Plan

A Stock Option Plan was approved and adopted by the Corporation's directors on December 11, 2007 and amended August 21, 2008. The purpose of the Stock Option Plan is to assist the Corporation in attracting, retaining and motivating directors, officers, employees and consultants of the Corporation and of its affiliates. The Stock Option plan provides that, subject to the requirements of the TSXV, the aggregate number of securities reserved for issuance is such number of Common Shares that is equal to 20% of the number of Common Shares issued and outstanding on the date of listing of the Corporation's Common Shares on the TSXV after the completion of the Offering, being 2,080,000 Common Shares (assuming only the minimum number of Units under the Offering are sold) or up to 5,000,000 Common Shares (assuming the maximum number of Units under the Offering are sold). The Stock Option Plan will be administered by the board of directors of the Corporation, which will have full and final authority with respect to the granting of all options thereunder. The following table sets out the options granted to date. All options granted are for the acquisition of Common Shares of the Corporation.

Group [and number of persons making up the group]	**Options Held on Completion of the Offering**
All executive officers and past executive Officers of the Corporation [3]	550,000
All Executive Officers and past executive officers of the subsidiary not otherwise included above [1]	150,000
All directors and past directors of the Corporation not otherwise included above [4]	600,000
All directors and past directors of the subsidiary not otherwise included above [0]	-
All other employees and past employees of the Corporation and the subsidiary [0]	-
All other consultants and past consultants of the Corporation and the subsidiary [21]	780,000
TOTAL [29]	2,080,000

Options may be granted under the Stock Option Plan to such service providers of the Corporation and its affiliates, if any, as the board of directors may from time to time designate. The exercise prices shall be determined by the board of Directors, but shall, in no event, be less that the closing market price of the Corporation's shares on the TSXV less allowable discounts at the time of grant. The Stock Option Plan provides that the number of Common Shares that may be reserved for issuance to any one individual upon exercise of all stock options held by such individual may not exceed 5% of the issued Common Shares on a yearly basis. The aggregate number of options granted to any one consultant and in the aggregate to individuals conducting investor relations services in any 12 month period cannot exceed 2% of the outstanding Common Shares at the time of grant. Subject to earlier termination in the event of dismissal for cause, termination other than for cause or in the event of death, all options granted under the Stock Option Plan will expire not later than the date that is five years (or ten years if the Corporation is listed on Tier 1 of the TSXV) from the date that such options are granted. Options granted under the Stock Option Plan are subject to vesting over a period of 18 or 24 months depending on the optionees' length of service at the time of grant, amendable by the Board. Options granted under the Stock Option Plan are not transferable or assignable other than by will or other testamentary instrument or pursuant to the laws of succession.

PRIOR SALES

The following table summarizes the sales of securities of the Corporation from incorporation to the date of this Prospectus.

Date	Price per Share	Number of Securities	Reason for Issuance
May 18, 2007	$1.00	1 Common Share[1]	Incorporation
Total as of the date of this Prospectus:		4,000,000 Common Shares	

[1] *On November 13, 2007, the issued share capital of the Corporation was altered by splitting the one (1) then issued Common share of the Corporation without par value into four million (4,000,000) Common Shares of the Corporation without par value. The initial public offering of the Corporation represents the 'spinoff' of certain assets of an existing public company, Columbus Gold.*

Stock Exchange

The Common Shares are not listed on a Canadian stock exchange or traded on a Canadian market, or on a foreign stock exchange or market.

ESCROWED SHARES

Escrowed Securities

Under the applicable policies and notices of the Canadian Securities Administrators, securities held by Principals (as defined below) are required to be held in escrow in accordance with the national escrow regime applicable to initial public distributions, subject to certain exemptions.

"**Principals**" include all persons or companies that, on the completion of the Offering, fall into one of the following categories:

(a) directors and senior officers of the Corporation or of a material operating subsidiary of the Corporation, as listed in this Prospectus;

(b) promoters of the Corporation during the two years preceding this Offering;

(c) those who own and/or control more than 10% of the Corporation's voting securities immediately after completion of this Offering if they also have appointed or have the right to appoint a director or senior officer of the Corporation or of a material operating subsidiary of the Corporation;

(d) those who own and/or control more than 20% of the Corporation's voting securities immediately after completion of this Offering; and

(e) associates and affiliates of any of the above.

At the date hereof, an aggregate of 4,000,000 Common Shares are held by Principals, all of which will be subject to escrow.

Pursuant to an agreement (the "**Escrow Agreement**") dated as of May 13, 2008 among the Corporation, Computershare (the "**Escrow Agent**") and the Principals of the Corporation, the Principals agreed to deposit in escrow their Common Shares (the "**Escrowed Securities**") with the Escrow Agent. The Escrow Agreement provides that the Escrowed Securities will be released over a 36 month period, with 10% of the Principals' Escrowed Securities being released on the date (the "**Listing Date**") the Corporation's Common Shares are listed on a Canadian exchange and a further 15% of the original number of securities in escrow being released on the dates that are 6, 12, 18, 24, 30 and 36 months thereafter.

The Corporation is an "**emerging issuer**" as defined in the applicable policies and notices of the Canadian Securities Administrators, and if the Corporation achieves "**established issuer**" status during the term of the Escrow Agreement, it will "graduate," resulting in a catch-up release and an accelerated release of any securities remaining in escrow under the 18 month schedule applicable to established issuers, as if the Corporation had originally been classified as an established issuer.

Pursuant to the terms of the Escrow Agreement, the securities held in escrow may not be transferred or otherwise dealt with during the term of the Escrow Agreement unless the transfers or dealings within the escrow are:

(f) transfers to continuing or, upon their appointment, incoming directors and senior officers of the Corporation or of a material operating subsidiary, with approval of the Corporation's board of directors;

(g) transfers to an RRSP or similar trustee plan provided that the only beneficiaries are the transferor or the transferor's spouse or children;

(h) transfers upon bankruptcy to the trustee in bankruptcy; and

(i) pledges to a financial institution as collateral for a bona fide loan, provided that upon a realization the securities remain subject to escrow.

Tenders of Escrowed Securities to a take-over bid are permitted provided that, if the tenderer is a Principal of the successor corporation upon completion of the take-over bid, securities received in exchange for tendered Escrowed Securities are substituted in escrow on the basis of the successor corporation's escrow classification.

The following table sets forth details of the securities of the Corporation that are subject to the Escrow Agreement as of March 7, 2008:

Designation of Class	Number of Securities Subject to Escrow (unaudited)	Percentage of Class
Common Shares	4,000,000 Common Shares(1)	100%
Common Shares underlying the convertible Property Note and Working Capital Grid Note	Up to 5,602,071(2)	100%

(1) *These shares are held by Columbus Gold, a public company listed on the TSXV. Kenneth Judge, Robert Giustra and Gil Atzmon, directors of the Corporation, are also directors of Columbus Gold. Sean McGrath and Jacqueline Collins, officers of the Corporation, are also officers of Columbus Gold.*

(2) *Columbus Gold has the indirect right under the Property Note (through its wholly-owned subsidiary, Columbus Gold (U.S.) and the direct right under the Working Capital Grid Note to convert such notes into Common Shares at a price of $0.50 per such share or the price per security at which the Offering is completed. Please see "general description of the business" for additional details. Figures provided in the table above assume the completion of the Offering at $0.25 per Unit, and that the maximum of $850,000 is drawn down by the Corporation under the Working Capital Loan.*

PRINCIPAL SHAREHOLDERS

To the knowledge of the directors and officers of the Corporation, as of the date of this Prospectus no person beneficially owns or exercises control or direction over Common Shares carrying more than 10% of the votes attached to the Corporation's Common Shares except for the following:

Prior to the Offering			After Giving Effect to the Maximum Offering	
Name	**Number of Common Shares Beneficially Owned Directly or Indirectly [(1)]**	**Percentage of Common Shares Held [(1)]**	**Number of Common Shares Beneficially Owned Directly or Indirectly [(2)]**	**Percentage of Common Shares Held [(2)]**
Columbus Gold Corporation[(3)]	4,000,000	100%	4,000,000	16.00%

(1) These figures do not include the Common Shares issuable to Columbus Gold indirectly under the Property Note and directly under the Working Capital Grid Note. Because such Common Shares are issuable at $0.50 each prior to the completion of the Corporation's IPO, the maximum number of Common Shares issuable to Columbus Gold under such notes prior to the completion of the Offering is 2,801,035, assuming that the Corporation draws down the maximum of $850,000 under the Working Capital Loan. The aforementioned maximum conversion prior to the completion of the Offering would increase Columbus Gold's (direct and indirect) holdings to 6,801,035 Common Shares or 100% of the Corporation.

(2) These figures do not reflect Warrant Shares to be acquired via exercise of Warrants under the Offering, the common shares to be acquired via exercise of incentive stock options, nor the conversion of the Property Note or the Working Capital Grid Note. If the Maximum Offering is achieved, all Warrants including the Agent's Warrants are exercised, all incentive stock options are exercised, and the maximum of 5,602,071 Common Shares are issued to Columbus Gold (and its wholly-owned subsidiary, Columbus Gold (U.S.)) under the Promissory Note and the Working Capital Grid Note (assuming the completion of the Offering at $0.25 per Unit and that the Corporation draws down the maximum of $850,000 under the Working Capital Loan), Columbus Gold will (directly and indirectly through its wholly-owned subsidiary Columbus Gold (U.S.)) hold 9,602,071 Common Shares, representing 17.21% percent of the Common Shares issued and outstanding post-IPO.

(3) Columbus Gold is a public company listed on the TSXV. Kenneth Judge, Don Gustafson, Robert Giustra and Gil Atzmon, directors of the Corporation are also directors of Columbus Gold. Sean McGrath and Jacqueline Collins, officers of the Corporation are also officers of Columbus Gold. Hidefield Gold plc owns 4,323,134 shares of Columbus Gold which represents 18.83% of the issued and outstanding shares of Columbus Gold. Hidefield Gold plc is a widely held public company, the shares of which trade on the AIM market of the London Stock Exchange. To the knowledge of the Corporation and its management, there are no other persons who, through ownership of or control or direction over securities of Columbus Gold, own or control more than 10% of Columbus Gold's common shares.

DIRECTORS AND OFFICERS

The following table provides the names, municipalities of residence, position, principal occupations and the number of voting securities of the Corporation that each of the directors and executive officers beneficially owns, directly or indirectly, or exercises control over, as of the date hereof:

Name and Municipality of Residence and Position with the Corporation	Director/Officer since	Principal Occupation for the Past Five Years	Common Shares Beneficially Owned Directly or Indirectly or over which control is exercised (at the date of this Prospectus)[(1)]
Robert Giustra, aged 38 President, CEO and Director Vancouver, BC	May 18, 2007	President and CEO of Columbus Gold Corporation from September 2004 to present; Self-employed business consultant from September 2003 to present; Senior Vice President, Secretary and Director of Hinterland Metals Inc. from April 1997 to September 2003.	Nil[(3)]
Kenneth Judge[(2)], aged 53 Chairman and Director Monte Carlo, Monaco	May 18, 2007	Self-employed corporate lawyer.	Nil[(4)]
Gil Atzmon[(2)], aged 48 Director San Antonio, TX	May 18, 2007	President of Zazu Metals Corporation from January 2006 to present; Vice President, Corporate Development of Gold Summit Corp. from September 2003 to December 2006; Vice President of Greencastle	Nil[(5)]

Name and Municipality of Residence and Position with the Corporation	Director/Officer since	Principal Occupation for the Past Five Years	Common Shares Beneficially Owned Directly or Indirectly or over which control is exercised (at the date of this Prospectus)(1)
		Resources Ltd. From February 2003 to December 2006.	
Don Gustafson, aged 70 Director Reno, NV	July 1, 2008	Retired Geologist	Nil (6)
Sean McGrath, aged 35 CFO Vancouver, BC	May 18, 2007	Chief Financial Officer ("CFO") of Columbus Gold Corporation from March 2006 to present; President of SCM Consulting Corp. from April 1997 to present.	Nil(7)
Jacqueline Collins, aged 42 Secretary Richmond, BC	May 18, 2007	Legal Administrator and Corporate Secretary of HRG Management Ltd. from November 2004 to present; Paralegal at the law firm of Lang Michener LLP from February 2003 to October 2004; Paralegal at the law firm of Clark Wilson from August 1999 to January 2003.	Nil(8)

(1) The information as to securities beneficially owned, controlled or directed has been furnished by the Directors and executive officers as of the date of this Prospectus. See "Escrowed Securities."

(2) Denotes a member of the Audit Committee of the Corporation.

(3) Mr. Giustra holds share purchase options entitling him to purchase up to 300,000 Common Shares at an exercise price equal to IPO price and exercisable for a period of five years from the date the Corporation's Common Shares are listed on the TSXV.

(4) Mr. Judge holds share purchase options entitling him to purchase up to 150,000 Common Shares at an exercise price equal to IPO price and exercisable for a period of five years from the date the Corporation's Common Shares are listed on the TSXV.

(5) Mr. Atzmon holds share purchase options entitling him to purchase up to 150,000 Common Shares at an exercise price equal to IPO price and exercisable for a period of five years from the date the Corporation's Common Shares are listed on the TSXV.

(6) Mr. Gustafson holds share purchase options entitling him to purchase up to 150,000 Common Shares at an exercise price equal to IPO price and exercisable for a period of five years from the date the Corporation's Common Shares are listed on the TSXV.

(7) Mr. McGrath holds share purchase options entitling him to purchase up to 150,000 Common Shares at an exercise price equal to IPO price and exercisable for a period of five years from the date the Corporation's Common Shares are listed on the TSXV.

(8) Ms. Collins holds share purchase options entitling her to purchase up to 100,000 Common Shares at an exercise price equal to IPO price and exercisable for a period of five years from the date the Corporation's Common Shares are listed on the TSXV.

The term of office of the directors expires annually at the time of the Corporation's annual general meeting. The term of office of the officers expires at the discretion of the Corporation's directors.

The Corporation has proposed to pay all directors $1,000 per month for their services as directors.

Directors and officers of the Corporation as a group, do not beneficially own, directly and indirectly, or exercise control or direction over, any Common Shares. The directors and officers of the Corporation also serve as directors and/or officers of Columbus Gold, which holds 4,000,000 Common Shares.

The following is a brief description of the background of the above individuals, none of whom have entered into non-competition or non-disclosure agreements with the Corporation.

Robert Giustra, President, Chief Executive Officer and Director, aged 38

Mr. Giustra is responsible for the general day to day management of the Corporation. He is responsible for all capital raising and promotion. He holds an Economics degree from the University of Western Ontario. Mr.

Giustra has been actively engaged in the creation, financing, development, restructuring and management of publicly-traded junior mining companies since 1992. His early experience in public markets includes working as an Investment Advisor with a national securities brokerage firm and later as an Investment Banker at an international investment dealer where he co-founded the equity sales and corporate finance departments.

It is anticipated that Mr. Giustra will spend approximately 50% of his time on the affairs of the Corporation as a consultant.

Kenneth Judge, Chairman and Director, aged 53

Kenneth Judge completed degrees in Commerce, Jurisprudence and Laws at the University of Western Australia before qualifying as a Barrister and Solicitor and practising in international mergers and acquisitions law. Mr. Judge has extensive business management experience, having held a number of public company directorships and more recently having been engaged in the establishment or corporate restructure of technology, mining and oil and gas companies in Australia, Canada, the UK, the United States, Brazil, Argentina and the Philippines. Mr. Judge is a resident of Monaco from where he is involved in private investment and restructuring of technology, resource and oil and gas companies.

Kenneth Judge is the non-executive Chairman and an independent director. It is assumed Mr. Judge will spend approximately 10% of his time on the affairs of the Corporation as a consultant.

Gil Atzmon, Director, aged 48

He has over 20 years experience in the mineral resource sector. His career has included positions as a mining fund manager, investment banker and mining executive. Mr. Atzmon has participated in many global exploration and mining projects. Mr. Atzmon holds a BA in Geology and Geography from Columbia University and an MA in Energy and Mineral Resources from the University of Texas at Austin.

Mr. Atzmon is an independent director and serves as a non-executive Chairman of the Corporation. It is assumed Mr. Atzmon will spend approximately 10% of his time on the affairs of the Corporation as a consultant.

Don Gustafson, Director, aged 70

Mr. Gustafson has forty-three years of experience in exploration and development of mineral properties. Mr. Gustafson is a current Director of Golden Cycle Gold Corporation which is being acquired pursuant to a takeover bid by AngloGold Ashanti Ltd. He previously served as Homestake Mining Company's Manager of Deposit Development where he played a significant role in the discovery and development of the McLaughlin gold mine in Northern California. He also held the position of Vice President and Director of Exploration for Homestake International Minerals Ltd., where he concentrated on the Asian, South Pacific, Central and South American regions.

Mr. Donald Gustafson received his Bachelor's degree in Geology and Mineralogy from the University of Colorado, and remained at the institution to complete his Master's Degree in Geology. He is a member of the Society of Exploration Geologists, the Society of Mining Engineers, the Geological Society of Nevada and the Prospectors and Developers Association of Canada, as well as an author of articles appearing in various industry publications. Mr. Gustafson is a Professional Certified Geologist certified by the American Institute of Professional Geologists.

Mr. Gustafson is an independent director. It is assumed Mr. Gustafson will spend approximately 10% of his time on the affairs of the Corporation.

Sean McGrath, Chief Financial Officer, aged 35

Mr. McGrath is responsible for overseeing the financial reporting obligations of the Corporation. He is a professional accountant who has spent the last ten years providing financial management services to publicly traded companies, with emphasis on junior mineral exploration and oil and gas exploration companies. He holds a Bachelor of Commerce (Hons) degree from Memorial University of Newfoundland and has two professional accounting designations - CGA (BC) and CPA (Illinois).

It is assumed Mr. McGrath will spend 25% of his time on the affairs of the Corporation as a consultant.

Jacqueline Collins, Corporate Secretary, aged 42

Ms. Collins is responsible for the day to day legal administration and corporate secretarial needs of the Corporation. Ms. Collins is a Securities/Corporate Finance Paralegal with over 21 years experience as a legal administrator, corporate secretary and paralegal at both independent and national law firms, and with public resource companies. She has extensive experience in the preparation, finalization and filing of securities documents for US and Canadian foreign and domestic issuers with Canadian and US securities regulators.

It is assumed Ms. Collins will spend 25% of her time on the affairs of the Corporation as a consultant.

Andy B. Wallace, Vice-President of Columbus US, aged 60

Mr. Wallace is responsible for designing and executing the Corporation's generative and exploration programs. Mr. Wallace completed a B.S. in geology at Eastern New Mexico University, an M.S. in geology at the University of Texas at El Paso, and a PhD in geology at the Mackay School of Mines at the University of Nevada, Reno. He began working for Cordex Exploration Co. as a consultant in 1974. He was an Assistant Professor of Geology at Wittenberg University from 1975 to 1978, and continued consulting to Cordex during this period. He became a full-time geologist for Cordex in 1978, becoming manager of exploration in 1985. Cordex discovered the Marigold, Stonehouse, and Daisy gold mines in Nevada during Mr. Wallace's management.

It is expected that Mr. Wallace will spend 40% of his time on the affairs of the Corporation.

Corporate Cease Trading Orders or Bankruptcies

To the Corporation's knowledge, no existing or proposed director or officer or shareholder holding a sufficient number of securities of the Corporation to affect materially the control of the Corporation has, during the ten years prior to the date hereof, been a director or officer of any other issuer that, while that person was acting in that capacity, was the subject of a cease trade order or similar order for a period of more than 30 consecutive days, or became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Penalties or Sanctions

To the Corporation's knowledge, no existing or proposed director, officer, or shareholder holding sufficient securities of the Corporation to affect materially the control of the Corporation has been subject to any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority, or has otherwise been subject to any penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor making an investment decision.

Personal Bankruptcies

To the Corporation's knowledge, no existing or proposed director, officer, or shareholder holding sufficient securities of the Corporation to affect materially the control of the Corporation, or any personal holding company of any such person, has during the ten years prior to the date hereof, been declared bankrupt or made a voluntary assignment into bankruptcy, made a proposal under any legislation relating to bankruptcy or insolvency or has been subject to or instituted any proceedings, arrangement, or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of such person.

Conflicts of Interest

The directors of the Corporation are required by law to act honestly and in good faith with a view to the best interests of the Corporation and to disclose any interests that they may have in any project or opportunity of the Corporation. If a conflict of interest arises at a meeting of the board of directors, any director in a conflict will disclose his interest and abstain from voting on such matter.

To the best of the Corporation's knowledge, and other than disclosed herein, there are no known existing or potential conflicts of interest among the Corporation or its subsidiaries and their promoters, directors and officers or other members of management of the Corporation or its subsidiaries or of any proposed promoter, director, officer or other member of management, except that certain of the directors and officers serve as directors and officers of other companies, and therefore it is possible that a conflict may arise between their duties to the Corporation and their duties as a director or officer of such other companies.

COMPENSATION OF EXECUTIVE OFFICERS

Executive Compensation

"**Named Executive Officer**" means each Chief Executive Officer, each Chief Financial Officer and each of the three most highly-compensated executive officers, other than the Chief Executive Officer and the Chief Financial Officer, who were serving as executive officers at the end of the most recently completed fiscal year and whose total salary and bonus exceeds $150,000, and any additional individuals for whom disclosure would have been provided, except that the individual was not serving as an officer of the Corporation at the end of the most recently completed financial year end.

Robert Giustra, the Corporation's President and CEO and Sean McGrath, the Corporation's Chief Financial Officer, are the "**Named Executive Officers**" of the Corporation for the purposes of the following disclosure. The compensation paid to the Named Executive Officers for the period from incorporation on May 18, 2007 to September 30, 2007 is set out in the following table:

Summary Compensation Table

		Annual Compensation			Long Term Compensation Awards	
NAMED EXECUTIVE OFFICERS Name and Principal Position	**Year[1]**	**Salary ($)**	**Bonus ($)**	**Other Annual Compen-sation ($)**	**Securities Under Options/SARs Granted (#)**	**All Other Compensation ($)**
Robert Giustra President and CEO	2007	Nil	Nil	Nil	Nil	Nil
Sean McGrath Chief Financial Officer	2007	Nil	Nil	Nil	Nil	Nil

[1] *The Corporation's fiscal year end is September 30.*

Long-Term Incentive Plan Awards for the Period from Incorporation on May 18, 2007 to September 30, 2007

The Corporation did not have any long-term incentive plans from the period of incorporation on May 18, 2007 to September 30, 2007.

Option/SAR Grants for the Period from Incorporation on May 18, 2007 to September 30, 2007

The Corporation did not grant options to purchase securities of the Corporation or a subsidiary thereof to any of the Named Executive Officers for the period from incorporation on May 18, 2007 to September 30, 2007. The Corporation plans to grant options upon completion of the Offering. See "Options to Purchase Securities."

Aggregated Options/SAR Exercises and Financial Year-End Option/SAR Values for the Period from Incorporation on May 18, 2007 to September 30, 2007

The Named Executive Officers did not exercise any options to purchase securities of the Corporation or a subsidiary thereof from the period of incorporation on May 18, 2007 to September 30, 2007. The Named Executive Officers did not hold any options to purchase securities of the Corporation or a subsidiary thereof as at September 30, 2007.

Termination of Employment, Changes in Responsibility and Employment Contracts

There is no written employment contract between the Corporation or a subsidiary thereof and any Named Executive Officer.

There are no compensatory plan(s) or arrangement(s), with respect to the Named Executive Officers resulting from the resignation, retirement or any other termination of the Named Executive Officer's employment or from a change of control or a change of the Named Executive Officer's responsibilities following a change in control.

Compensation of Directors

Except as disclosed below, there are no arrangements under which directors were compensated by the Corporation or its subsidiaries for their services as directors or consultants or experts for the period from incorporation on May 18, 2007 to September 30, 2007.

The Corporation incurred $2,202 in fees to a director for consulting services and reimbursement of expenses from the period of incorporation on May 18, 2007 to September 30, 2007. The Corporation has further proposed to pay each of its directors the sum of $1,000 per month for their services as director.

The Corporation has not granted any incentive options to its directors from the period of incorporation on May 18, 2007 to September 30, 2007. The Corporation plans to grant options upon completion of the Offering. See "Options to Purchase Securities."

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

Other than routine indebtedness for travel and other expense advances, no individual who is, or any time during the period from incorporation to September 30, 2007, was a director, executive officer or senior officer of the Corporation or any associate of any of them, is or was indebted to the Corporation or any subsidiary thereof or is or was a person whose indebtedness to another entity is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation or a subsidiary thereof.

AUDIT COMMITTEE AND CORPORATE GOVERNANCE

Information concerning the constitution of our audit committee and our relationship with our independent auditor, is set forth below:

Audit Committee Charter

Our board has adopted the following audit committee charter (the "**Charter**"):

COLUMBUS SILVER CORPORATION
(the "Company")

AUDIT COMMITTEE CHARTER

1. Mandate

The audit committee will assist the board of directors (the "**Board**") in fulfilling its financial oversight responsibilities. The audit committee will review and consider in consultation with the auditors the financial reporting process, the system of internal control and the audit process. In performing its duties, the committee will maintain effective working relationships with the Board, management, and the external auditors. To effectively perform his or her role, each committee member must obtain an understanding of the principal responsibilities of committee membership as well and the company's business, operations and risks.

2. Composition

The Board will appoint from among their membership an audit committee after each annual general meeting of the shareholders of the Company. The audit committee will consist of a minimum of three directors.

2.1 Independence

A majority of the members of the audit committee must not be officers, employees or control persons of the Company.

2.2 Expertise of Committee Members

Each member of the audit committee must be financially literate or must become financially literate within a reasonable period of time after his or her appointment to the committee. At least one member of the committee must have accounting or related financial management expertise. The Board shall interpret the qualifications of financial literacy and financial management expertise in its business judgment and shall conclude whether a director meets these qualifications.

3. Meetings

The audit committee shall meet in accordance with a schedule established each year by the Board, and at other times that the audit committee may determine. The audit committee shall meet at least annually with the Company's Chief Financial Officer and external auditors in separate executive sessions.

4. Roles and Responsibilities

The audit committee shall fulfill the following roles and discharge the following responsibilities:

4.1 External Audit

The audit committee shall be directly responsible for overseeing the work of the external auditors in preparing or issuing the auditor's report, including the resolution of disagreements between management and the external auditors regarding financial reporting and audit scope or procedures. In carrying out this duty, the audit committee shall:

(a) recommend to the Board the external auditor to be nominated by the shareholders for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company;

(b) review (by discussion and enquiry) the external auditors' proposed audit scope and approach;

(c) review the performance of the external auditors and recommend to the Board the appointment or discharge of the external auditors;

(d) review and recommend to the Board the compensation to be paid to the external auditors; and

(e) review and confirm the independence of the external auditors by reviewing the non-audit services provided and the external auditors' assertion of their independence in accordance with professional standards.

4.2 Internal Control

The audit committee shall consider whether adequate controls are in place over annual and interim financial reporting as well as controls over assets, transactions and the creation of obligations, commitments and liabilities of the Company. In carrying out this duty, the audit committee shall:

(a) evaluate the adequacy and effectiveness of management's system of internal controls over the accounting and financial reporting system within the Company; and

(b) ensure that the external auditors discuss with the audit committee any event or matter which suggests the possibility of fraud, illegal acts or deficiencies in internal controls.

4.3 Financial Reporting

The audit committee shall review the financial statements and financial information prior to its release to the public. In carrying out this duty, the audit committee shall:

General

(a) review significant accounting and financial reporting issues, especially complex, unusual and related party transactions; and

(b) review and ensure that the accounting principles selected by management in preparing financial statements are appropriate.

Annual Financial Statements

(a) review the draft annual financial statements and provide a recommendation to the Board with respect to the approval of the financial statements;

(b) meet with management and the external auditors to review the financial statements and the results of the audit, including any difficulties encountered; and

(c) review management’s discussion & analysis respecting the annual reporting period prior to its release to the public.

Interim Financial Statements

(a) review and approve the interim financial statements prior to their release to the public; and

(b) review management’s discussion & analysis respecting the interim reporting period prior to its release to the public.

Release of Financial Information

(a) where reasonably possible, review and approve all public disclosure, including news releases, containing financial information, prior to its release to the public.

4.4 Non-Audit Services

All non-audit services (being services other than services rendered for the audit and review of the financial statements or services that are normally provided by the external auditor in connection with statutory and regulatory filings or engagements) which are proposed to be provided by the external auditors to the Company or any subsidiary of the Company shall be subject to the prior approval of the audit committee.

Delegation of Authority

(a) The audit committee may delegate to one or more independent members of the audit committee the authority to approve non-audit services, provided any non-audit services approved in this manner must be presented to the audit committee at its next scheduled meeting.

De-Minimis Non-Audit Services

(a) The audit committee may satisfy the requirement for the pre-approval of non-audit services if:

(i) the aggregate amount of all non-audit services that were not pre-approved is reasonably expected to constitute no more than five per cent of the total amount of fees paid by the Company and its subsidiaries to the external auditor during the fiscal year in which the services are provided; or

(ii) the services are brought to the attention of the audit committee and approved, prior to the completion of the audit, by the audit committee or by one or more of its members to whom authority to grant such approvals has been delegated.

Pre-Approval Policies and Procedures

(a) The audit committee may also satisfy the requirement for the pre-approval of non-audit services by adopting specific policies and procedures for the engagement of non-audit services, if:

(i) the pre-approval policies and procedures are detailed as to the particular service;

(ii) the audit committee is informed of each non-audit service; and

(iii) the procedures do not include delegation of the audit committee's responsibilities to management.

4.5 Other Responsibilities

The audit committee shall:

(a) establish procedures for the receipt, retention and treatment of complaints received by the company regarding accounting, internal accounting controls, or auditing matters;

(b) establish procedures for the confidential, anonymous submission by employees of the company of concerns regarding questionable accounting or auditing matters;

(c) ensure that significant findings and recommendations made by management and external auditor are received and discussed on a timely basis;

(d) review the policies and procedures in effect for considering officers' expenses and perquisites;

(e) perform other oversight functions as requested by the Board; and

(f) review and update this Charter and receive approval of changes to this Charter from the Board.

4.6 Reporting Responsibilities

The audit committee shall regularly update the Board about committee activities and make appropriate recommendations.

5. Resources and Authority of the Audit Committee

The audit committee shall have the resources and the authority appropriate to discharge its responsibilities, including the authority to

(a) engage independent counsel and other advisors as it determines necessary to carry out its duties;

(b) set and pay the compensation for any advisors employed by the audit committee; and

(c) communicate directly with the internal and external auditors.

6. Guidance – Roles & Responsibilities

The following guidance is intended to provide the Audit Committee members with additional guidance on fulfilment of their roles and responsibilities on the committee:

6.1 Internal Control

(a) evaluate whether management is setting the goal of high standards by communicating the importance of internal control and ensuring that all individuals possess an understanding of their roles and responsibilities;

(b) focus on the extent to which external auditors review computer systems and applications, the security of such systems and applications, and the contingency plan for processing financial information in the event of an IT systems breakdown; and

(c) gain an understanding of whether internal control recommendations made by external auditors have been implemented by management.

6.2 *Financial Reporting*

General

(a) review significant accounting and reporting issues, including recent professional and regulatory pronouncements, and understand their impact on the financial statements; and

(b) ask management and the external auditors about significant risks and exposures and the plans to minimize such risks; and

(c) understand industry best practices and the Company's adoption of them.

Annual Financial Statements

(a) review the annual financial statements and determine whether they are complete and consistent with the information known to committee members, and assess whether the financial statements reflect appropriate accounting principles in light of the jurisdictions in which the Company reports or trades its shares;

(b) pay attention to complex and/or unusual transactions such as restructuring charges and derivative disclosures;

(c) focus on judgmental areas such as those involving valuation of assets and liabilities, including, for example, the accounting for and disclosure of loan losses; warranty, professional liability; litigation reserves; and other commitments and contingencies;

(d) consider management's handling of proposed audit adjustments identified by the external auditors; and

(e) ensure that the external auditors communicate all required matters to the committee.

Interim Financial Statements

(a) be briefed on how management develops and summarizes interim financial information, the extent to which the external auditors review interim financial information;

(b) meet with management and the auditors, either telephonically or in person, to review the interim financial statements; and

(c) to gain insight into the fairness of the interim statements and disclosures, obtain explanations from management on whether:

(i) actual financial results for the quarter or interim period varied significantly from budgeted or projected results;

(ii) changes in financial ratios and relationships of various balance sheet and operating statement figures in the interim financials statements are consistent with changes in the company's operations and financing practices;

(iii) generally accepted accounting principles have been consistently applied;

(iv) there are any actual or proposed changes in accounting or financial reporting practices;

(v) there are any significant or unusual events or transactions;

(vi) the Company’s financial and operating controls are functioning effectively;

(vii) the Company has complied with the terms of loan agreements, security indentures or other financial position or results dependent agreement; and

(viii) the interim financial statements contain adequate and appropriate disclosures.

6.3 Compliance with Laws and Regulations

(a) periodically obtain updates from management regarding compliance with this policy and industry “best practices”;

(b) be satisfied that all regulatory compliance matters have been considered in the preparation of the financial statements; and

(c) review the findings of any examinations by securities regulatory authorities and stock exchanges.

6.4 Other Responsibilities

(a) review, with the company’s counsel, any legal matters that could have a significant impact on the company’s financial statements.

Composition of the Audit Committee and Relevant Education and Experience

The following are the current members of the Committee:

Kenneth Judge	Not Independent①	Financially literate①
Gil Atzmon	Independent①	Financially literate①
Don Gustafson	Independent①	Financially literate①

① *As defined by Multilateral Instrument 52-110 ("MI 52-110").*

Relevant Education and Experience

Kenneth Judge completed degrees in Commerce, Jurisprudence and Laws. He is a qualified Barrister and Solicitor in Australia and practices in the field of international mergers and acquisitions. He has extensive business management experience of over 30 years, having held a number of public company directorships and more recently having engaged in the establishment or corporate restructure of technology, mining and oil and gas companies.

Gil Atzmon has over 20 years’ experience in the mineral resource sector. His career has included positions as a mining fund manager, investment banker and mining executive. Mr. Atzmon holds a BA in Geology and Geography as well as an MA in Energy and Mineral Resources.

Mr. Gustafson has forty-three years of experience in exploration and development of mineral properties. Mr. Gustafson is a current Director of Golden Cycle Gold Corporation which is being acquired pursuant to a takeover bid by AngloGold Ashanti Ltd. He previously served as Homestake Mining Company's Manager of Deposit Development where he played a significant role in the discovery and development of the McLaughlin gold mine in Northern California. He also held the position of Vice President and Director of Exploration for Homestake International Minerals Ltd., where he concentrated on the Asian, South Pacific, Central and South American regions.

Pre –Approval Policies and Procedures

The audit committee has not adopted specific policies and procedures for engagement of non-audit services.

External Auditor Services Fees

The audit committee has reviewed the nature and amount of audited services provided by the auditor to ensure auditor independence. Fees incurred with the auditor for audit and non-audit services for the last two fiscal years for audit fees are outlined in the following table.

Nature of Services	Fees Paid to Auditor in Year Ended September 30, 2007	Fees Paid to Auditor in Year Ended September 30, 2006
Audit Fees(1)	$20,000	N/A
Audit-Related Fees(2)	-	N/A
Tax Fees(3)	-	N/A
All Other Fees(4)	-	N/A
Total:	$20,000	N/A

(1) "Audit Fees" include fees necessary to perform the annual audit and quarterly reviews of our consolidated financial statements. Audit Fees include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letter, consents, reviews of securities filings and statutory audits.

(2) "Audit-Related Fees" include services that are traditionally performed by the auditor. These audit-related services include employee benefit audits, due diligence assistance, accounting consultations on proposed transaction, internal control reviews and audit or attest services not required by legislation or regulation.

(3) "Tax Fees" include fees for all tax services other than those included in "Audit Fees" and "Audit-Related Fees". This category includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.

(4) "All Other Fees" include all other non-audit services.

CORPORATE GOVERNANCE

General

The following disclosure summarizes our current corporate governance practices. Until recently, we were a privately held company engaged in the exploration and development of mineral properties. While we have expanded our board of directors to add an additional independent director, we have not yet adopted formal corporate governance procedures and policies. We have a small board of directors which is actively involved in board matters. We may develop more formal governance policies and procedures over the period following our initial pubic offering if it becomes apparent that the size of our board, or of the Corporation, requires a more formal approach to corporate governance.

Board Independence

Directors are considered to be independent if they have no direct or indirect material relationship with the Corporation. A “material relationship” is a relationship which could, in the opinion of our Board of Directors, be reasonably expected to interfere with the exercise of a director’s independent judgment.

The Board facilitates its exercise of independent judgment in carrying out its responsibilities by carefully examining issues and consulting with outside counsel and other advisors in appropriate circumstances. The Board requires management to provide complete and accurate information with respect to our activities and to provide relevant information concerning the industry in which we operate in order to identify and manage risks. The Board is responsible for monitoring our senior officers, who in turn are responsible for the maintenance of internal controls and management information systems.

Gil Atzmon and Don Gustafson are the only members who are considered to be independent directors. The non-independent directors are Robert Giustra, President and Chief Executive Officer and Kenneth Judge, the Chairman of the Corporation.

Directorships

The following is a list of those reporting issuers that the directors of the Corporation are presently a director.

Director	**Reporting Issuer**
Robert Giustra	Empire Mining Corporation Columbus Gold Corporation
Kenneth Judge	Alto Ventures Ltd. Brazilian Diamonds Limited Columbus Gold Corporation Hidefield Gold plc Empire Mining Corporation Block Shield Corporation Gulfsands Petroleum plc Carnarvon Petroleum Ltd.
Gil Atzmon	Columbus Gold Corporation Zazu Metals Corporation
Don Gustafson	Columbus Gold Corporation

Orientation and Continuing Education

We have not yet adopted a formal orientation program for our directors. Directors who were recently appointed received an orientation on our business industry and properties and on the responsibilities of directors.

Compensation Committee

We do not have a compensation committee. The Board determines the compensation of the directors and Chief Executive Officer.

Nomination of Directors

The Board does not have a nominating committee, and these functions are currently performed by the Board as a whole. Director nominees are sourced by the board as a whole. However, if there is a change in the number of directors, this policy will be reviewed.

Ethical Business Conduct

We have found that the fiduciary duties placed on individual directors by the our governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual directors' participation in decisions of the Board in which the director has an interest are sufficient to ensure that the Board operates independently of management and in the best interests of the Corporation.

Other Board Committees

We do not have any other committees.

Assessments

All of the directors are expected to contribute to the Corporation and are monitored on an ad hoc basis. We have not adopted a formal procedure for monitoring board effectiveness.

PLAN OF DISTRIBUTION

Units

The Maximum Offering consists of 21,000,000 Units and the Minimum Offering consists of 6,400,000 Units, each Unit comprised of one Common Share and one Warrant, to raise gross proceeds of $5,250,000 (Maximum Offering) or $1,600,000 (Minimum Offering), exclusive of funds receivable upon any exercise of the Warrants.

Pursuant to the Agency Agreement, the Corporation engaged Union Securities Ltd. (the "**Agent**") as its exclusive agent for the purposes of the Offering, to offer for sale to the public under this Prospectus, on a commercially-reasonable efforts basis, the Units in British Columbia, Alberta, Saskatchewan and Ontario. The Agent has no obligation to purchase Units although it may do so if it desires. Subscriptions for Units will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. The Offering Price was established through negotiation between the Corporation and the Agent. The Agent may, in connection with the Offering and in its sole discretion, retain one or more licensed dealers, brokers and investment dealers (referred to herein as the "**Selling Firms**") as sub-agents and may receive subscriptions for Units from such Selling Firms. The Units may also be offered for sale in jurisdictions outside North America.

The Agency Agreement provides that the Agent may at any time in its discretion terminate the Offering upon the occurrence of certain events or based on its assessment of the state of the financial markets.

The Closing Date will not occur later than the date that is 90 days after a Mutual Release Review System Decision document is issued for this Amended and Restated Prospectus unless an extension to this date is granted by the applicable regulatory authorities. The Offering will remain open no longer than 90 days after a receipt is issued for this Amended and Restated Prospectus or in respect of an amendment thereof, and in any event no longer than 180 days from the date of the receipt for the Final Prospectus.

If subscriptions for a minimum of 6,400,000 Units are not received on or before the later of 90 days after the date of issue of the receipt for this Prospectus and the expiration date of any extension thereof granted by the applicable authorities, all subscription funds will be returned to the subscriber promptly without interest or deduction. Subscription proceeds will be held by the Agent pending Closing.

Agent's Compensation

In consideration for its services in connection with the Offering, the Corporation has agreed to pay the Agent a cash commission equal to 8.5% of the gross proceeds from the sale of the Units. The Agent will also receive a Corporate Finance Fee in the amount of $25,000 plus GST, of which $15,000 has been paid by the Corporation, with the balance of $10,000 payable on the Closing Date of the Offering. In addition, the Agent is entitled to receive, upon successful completion of the Offering, as part of its remuneration, non-transferable Agent's

Warrants entitling the Agent to purchase up to that number of Agent's Warrant Shares as is equal to 10% of the number of Units sold pursuant to this Offering, up to a maximum of 2,100,000 Agent's Warrants. The Agent's Warrants will be exercisable to acquire Agent's Warrant Shares at a price of $0.25 per Agent's Warrant Share for a period of 18 months after the Closing Date. This Prospectus qualifies the distribution of the Agent's Warrants to the Agent.

Listing Application

The Corporation has applied to list the Common Shares distributed under this Prospectus on the TSXV. Listing will be subject to the Corporation fulfilling all of the listing requirements of the TSXV.

IPO Venture Issuer

As at the date of the prospectus, the Corporation does not have any of its securities listed or quoted, has not applied to list or quote any of its securities, and does not intend to apply to list or quote any of its securities, on the Toronto Stock Exchange, a U.S. marketplace, or a marketplace outside of Canada and the United States of America other than the Alternative Investment Market of the London Stock Exchange or the PLUS markets operated by PLUS Markets Group plc.

RISK FACTORS

The securities offered hereunder must be considered highly speculative due to the nature of the Corporation's business and its present stage of development. A purchase of securities offered hereunder involves a high degree of risk and should be undertaken only by investors whose financial resources are sufficient to assume such risk and can afford a total loss of their investment, and have no need for immediate liquidity in their investment. Prospective investors should carefully consider the information presented in this Prospectus before purchasing the Units offered under this Prospectus, which includes the following risks:

Limited Operating History

The Corporation has no history of earnings. The Corporation's properties are in the exploration stage and there are no known commercial quantities of mineral reserves on the Corporation's properties. The purpose of this Offering is to raise funds to carry out exploration and development with the objective of establishing economic quantities of mineral reserves. There can be no assurance that any economic quantities of mineral reserves will be discovered on the Corporation's properties.

Title Risks

Although the Corporation has exercised the usual due diligence with respect to determining title to properties in which it has a material interest, there is no guarantee that title to such properties will not be challenged or impugned or revoked. The Corporation's mineral property interests may be subject to prior unregistered agreements or transfers or native land claims and title may be affected by undetected defects. Surveys have not been carried out on any of the Corporation's mineral properties in accordance with the laws of the jurisdiction in which such properties are situated; therefore, their existence and area could be in doubt. Until competing interests in the mineral lands have been determined, the Corporation can give no assurance as to the validity of title of the Corporation to those lands or the size of such mineral lands.

Exploration and Development

Resource exploration and development is a speculative business, characterized by a number of significant risks including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but also from finding mineral deposits that, though present, are insufficient in quantity and quality to return a profit from production. The marketability of minerals acquired or discovered by the Corporation may be affected by numerous factors that are beyond the control of the Corporation and that cannot be accurately predicted, such as market fluctuations, the proximity and capacity of milling facilities, mineral markets and processing equipment, and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting minerals and environmental protection, the combination of which factors may result in the Corporation not receiving an adequate return of investment capital.

All of the claims to which the Corporation has a right to acquire an interest are in the exploration stage only and are without a known body of commercial ore. Development of the subject mineral properties would follow only if favourable exploration results are obtained.

The business of exploration for minerals and mining involves a high degree of risk. Few properties that are explored are ultimately developed into producing mines. There is no assurance that the Corporation’s mineral exploration and development activities will result in any discoveries of commercial bodies of ore. The long-term profitability of the Corporation’s operations will in part be directly related to the costs and success of its exploration programs, which may be affected by a number of factors.

Substantial expenditures are required to establish reserves through drilling and to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that funds required for development can be obtained on a timely basis.

Uninsurable Risks

Exploration, development and production of mineral properties is subject to certain risks, and in particular, unexpected or unusual geological operating conditions including rock bursts, cave-ins, fires, flooding and earthquakes may occur. It is not always possible to insure fully against such risks and the Corporation may decide not to take out insurance against such risks as a result of high premiums or for other reasons. Should such liabilities arise, they could have an adverse impact on the Corporation’s operations and could reduce or eliminate any future profitability and result in increasing costs and a decline in the value of the securities of the Corporation.

Environmental Regulations, Permits and Licenses

The Corporation’s operations may be subject to environmental regulations promulgated by government agencies from time to time. Environmental legislation provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining industry operations, such as seepage from tailings disposal areas, which would result in environmental pollution. A breach of such legislation may result in the imposition of fines and penalties. In addition, certain types of operations require the submission and approval of environmental impact assessments. Environmental legislation is evolving in a manner that means standards are stricter, and enforcement, fines and penalties for non-compliance are more stringent. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and directors, officers and employees. The cost of compliance with changes in governmental regulations has a potential to reduce the profitability of operations. The Corporation intends to comply fully with all environmental regulations.

The current or future operations of the Corporation, including development activities and commencement of production on its properties, require permits from various federal, state or territorial and local governmental authorities, and such operations are and will be governed by laws and regulations governing prospecting, development, mining, production, exports, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters.

Such operations and exploration activities are also subject to substantial regulation under applicable laws by governmental agencies that may require the Corporation to obtain permits from various governmental agencies. There can be no assurance, however, that all permits that the Corporation may require for its operations and exploration activities will be obtainable on reasonable terms or on a timely basis or that such laws and regulations will not have an adverse effect on any mining project which the Corporation might undertake.

Failure to comply with applicable laws, regulations, and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations and, in particular, environmental laws.

Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Corporation and cause increases in capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in development of new mining properties.

To the best of the Corporation's knowledge, it is operating in compliance with all applicable rules and regulations.

Competition

The mining industry is intensely competitive in all its phases, and the Corporation competes with other companies that have greater financial resources and technical facilities. Competition could adversely affect the Corporation's ability to acquire suitable properties or prospects in the future.

Management

The success of the Corporation is currently largely dependent on the performance of its directors and officers. There is no assurance the Corporation can maintain the services of its directors and officers or other qualified personnel required to operate its business. The loss of the services of these persons could have a material adverse affect on the Corporation and its prospects.

Fluctuating Mineral Prices

Factors beyond the control of the Corporation may affect the marketability of metals discovered, if any. Metal prices have fluctuated widely, particularly in recent years. The effect of these factors on the Corporation's operations cannot be predicted.

Future Financings

The continued operation of the Corporation will be dependent upon its ability to generate operating revenues and to procure additional financing. There can be no assurance that any such revenues can be generated or that other financing can be obtained on terms acceptable to the Corporation. Failure to obtain additional financing on a timely basis may cause the Corporation to postpone development plans, forfeit rights in some or all of its properties or joint ventures, or reduce or terminate some or all of its operations.

Price Volatility of Publicly Traded Securities

In recent years, the securities markets in the United States and Canada have experienced a high level of price and volume volatility, and the market prices of securities of many companies have experienced wide fluctuations in price that have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. It may be anticipated that any quoted market for the Common Shares will be subject to market trends and conditions generally, notwithstanding any potential success of the Corporation in creating revenues, cash flows or earnings. The value of securities distributed hereunder will be affected by market volatility.

Before this Offering, there has been no public market for the Corporation's Common Shares. An active public market for the Common Shares might not develop or be sustained after this Offering. The listing of the Common Shares on an exchange, market or other quotation system is not a guarantee of liquidity. The initial public offering price of the Units has been determined by negotiations between the Corporation and representatives of the Agent and this price will not necessarily reflect the prevailing market price of the Common Shares following this Offering. If an active public market for the Common Shares does not develop, the liquidity of a shareholder's investment may be limited and the share price may decline below the initial public offering price.

Foreign Currency Exchange

Exchange rate fluctuations may affect the costs that the Corporation incurs in its operations. The Corporation's financing activities have been denominated in Canadian dollars, while the expenditures to be incurred by the Corporation on its mineral exploration projects in the United States will be denominated in U.S. dollars. The appreciation of the US dollar against the Canadian dollar, if it occurs, would result in increased costs of the Corporation's activities in the United States in Canadian dollar terms, and currency movements may have a significant impact on the Corporation's financial position and results of operations in the future.

Conflicts of Interest

Some of the directors and officers are engaged and will continue to be engaged in the search for additional business opportunities on behalf of other corporations, and situations may arise where these directors and officers will be in direct competition with the Corporation. Conflicts, if any, will be dealt with in accordance with the relevant provisions of the BCBCA.

Tax Issues

Income tax consequences in relation to the Units will vary according to circumstances of each investor. Prospective investors should seek independent advice from their own tax and legal advisers prior to subscribing to the Offering.

Dividends

The Corporation has not paid any dividends on its Common Shares since incorporation and does not anticipate paying any dividends on its Common Shares in the foreseeable future. The Corporation has a limited operating history and there can be no assurance of its ability to operate its projects profitably.

PROMOTERS

Columbus Gold is the promoter of the Corporation within the meaning of applicable securities legislation. See "Principal Shareholders" for voting and equity securities of the Corporation held by Columbus Gold. The Corporation was originally a wholly-owned subsidiary of Columbus Gold, a public company listed on the TSXV. The management of Columbus Gold determined its silver assets were not being properly valued by the market and that its shareholders would be better served by spinning off the silver properties held by Columbus Gold into a separate publicly traded entity. On September 1, 2007 the Corporation, through its wholly-owned operating subsidiary Columbus Silver (U.S.), acquired 4 silver properties from Columbus Gold (U.S.) in exchange for the Property Note totalling US$540,465 representing the carrying cost of the four properties. The Property Note bears an annual simple interest rate of five percent (5%). All principal and accrued interest thereon is due and payable on or before August 31, 2008. Effective July 1, 2008, the Corporation extended the Property Note with Columbus Gold (U.S.) from August 31, 2008 to August 31, 2010. Furthermore, Columbus Gold (U.S.) has been given the right to convert the principal amount outstanding under the Property Note or a portion thereof into common shares of the Corporation at a price of $0.50 per share (or, if the Corporation has completed its initial public offering on or before the date of the conversion notice, at a conversion rate equal to the price at which the securities of the Corporation were sold thereunder). All other terms of repayment remain the same. Columbus Gold (U.S.) and the Corporation have a director and officer in common.

Columbus Gold has also provided a credit facility to the Corporation. See "Management's Discussion and Analysis."

LEGAL PROCEEDINGS

The Corporation and its subsidiary are not a party to, and their respective property is not the subject matter of, any material legal proceedings and the Corporation is not aware of any such proceedings known to be contemplated.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Except as set out herein, the directors, senior officers and principal shareholders of the Corporation or any associate or affiliate of the foregoing have had no material interest, direct or indirect, in any transaction within the three years prior to the date of this Prospectus, or in any proposed transaction, which has materially affected or will materially affect the Corporation.

Robert Giustra, Kenneth Judge, Don Gustafson and Gil Atzmon, directors of the Corporation, are also directors of Columbus Gold. Robert Giustra, the President and Chief Executive Officer of the Corporation, Sean McGrath, the Chief Financial Officer of the Corporation and Jacqueline Collins, the Corporation's Secretary are also officers of Columbus Gold.

RELATIONSHIP BETWEEN THE CORPORATION AND AGENT

The Corporation is not a connected issuer to the Agent (as such term is defined in Multilateral Instrument 33-105).

AUDITORS

The auditors of the Corporation are PricewaterhouseCoopers LLP, of 250 Howe Street - 7th Floor Vancouver, British Columbia V6C 3S7 Canada. They are independent of the Corporation as defined under the rules of the profession in British Columbia.

REGISTRAR AND TRANSFER AGENT

The registrar and transfer agent of the Corporation is Computershare Investor Services Inc., 510 Burrard Street, Vancouver, British Columbia, Canada, V6C 3B9. The register of transfers for the Common Shares is maintained at the registrar and transfer agent's office in British Columbia.

MATERIAL CONTRACTS

Except for contracts made in the ordinary course of business, the following are the only material contracts entered into by the Corporation within two years prior to the date hereof:

1. Working Capital Loan agreement, as amended effective July 1, 2008, between Columbus Gold and the Corporation providing for up to a $850,000 loan to the Corporation at a rate of 5% per annum due and payable August 31, 2010, which principal amount may be converted at the option of Columbus Gold into common shares of the Corporation, as evidenced by the Working Capital Grid Note (see "General Development of the Business").

2. Assignment Agreement dated September 1, 2007 and Property Note, as amended effective July 1, 2008, between Columbus Gold (U.S.) and Columbus Silver (U.S.) respecting the transfer of the silver properties, referred to under "General Development of the Business".

3. Agreement dated September 13, 2007 between Columbus Silver (U.S.) and Cordilleran Exploration Company, LLC, as amended August 19, 2008, referred to under "General Development of the Business."

4. The Agency Agreement referred to under "Plan of Distribution."

5. The Escrow Agreement referred to under "Escrowed Shares."

A copy of any material contract and the National Instrument 43-101 technical report may be inspected during distribution of the Units being offered under this Prospectus and for a period of 30 days thereafter during normal business hours at the Corporation's offices at Suite 910 – 475 Howe Street, Vancouver, British Columbia, V6C 2B3.

RELATIONSHIP BETWEEN THE CORPORATION'S PROFESSIONAL PERSONS AND EXPERTS

No direct or indirect interest in the property of the Corporation or of any associate or affiliate of the Corporation has been received or is to be received by a person or company whose profession or business gives authority to a statement made by the person or company and who is named as having prepared or certified a part of the Prospectus or prepared or certified a report or valuation described or included in the Prospectus. No such person or company has any beneficial ownership, direct or indirect, of any class of shares of the Corporation or any associate or affiliate of the Corporation in excess of one percent of the issued and outstanding shares of such class of shares. No such person, or director, officer or employee of such person or company, is or is expected to be elected, appointed or employed as a director, officer or employee of the Corporation or an associate or affiliate of the Corporation.

OTHER MATERIAL FACTS

There are no other material facts about the securities being distributed other than as disclosed herein that are necessary in order for the Prospectus to contain full, true and plain disclosure of all material facts relating to the securities being distributed.

PURCHASERS' STATUTORY RIGHT OF WITHDRAWAL AND RESCISSION

Securities legislation in certain of the provinces and territories of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. In several of the provinces, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, damages if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights or consult with a legal adviser.

APPENDIX "A"

CONSOLIDATED FINANCIAL STATEMENTS

Columbus Silver CORPORATION

Suite 910 – 475 Howe Street
Vancouver, B.C.
V6C 2B3

CONSOLIDATED FINANCIAL STATEMENTS

For the Period Ended
September 30, 2007

(Canadian Funds)

PRICEWATERHOUSECOOPERS

PricewaterhouseCoopers LLP
Chartered Accountants
PricewaterhouseCoopers Place
250 Howe Street, Suite 700
Vancouver, British Columbia
Canada V6C 3S7
Telephone +1 604 806 7000
Facsimile +1 604 806 7806

Auditors' Report

To the Shareholders of Columbus Silver Corporation

We have audited the consolidated balance sheet of Columbus Silver Corporation. (the "Company") as at September 30, 2007 and the consolidated statement of loss, comprehensive loss and deficit and cash flows for the year then ended. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Company as at September 30, 2007 and the results of its operations and its cash flows for the period then ended in accordance with Canadian generally accepted accounting principles.

PricewaterhouseCoopers LLP

Vancouver, BC
February 04, 2008

CHARTERED ACCOUNTANTS

Columbus Silver Corporation

(A Development Stage Company)

Statement 1

Consolidated Balance Sheet

As at September 30

(Canadian Funds)

		2007
ASSETS		
Current Assets		
Cash and cash equivalents	$	17,082
Prepaids		1,004
Receivables		23
		18,109
Advances to a Related Party for Exploration (note 6)		82,781
Mineral Properties (note 3)		587,870
	$	688,760
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities		
Accounts payable and accrued liabilities	$	26,977
Promissory note (note 6)		542,465
Advance from a related party (note 6)		131,515
		700,957
Shareholder's Deficiency		
Share capital (note 4)		1
Deficit		(12,198)
		(12,197)
	$	688,760

Nature of operations and going concern (note 1)
Commitments (note 5)
Subsequent events (note 10)

Approved by the Board of Directors:

"Ken Judge"

Ken Judge - Director

"Robert Giustra"

Robert Giustra - Director

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

Columbus Silver Corporation

(A Development Stage Company) Statement 2

Consolidated Statement of Loss, Comprehensive Loss and Deficit

(Canadian Funds)

		Period from Incorporation (May 18, 2007) to September 30, 2007
Expenses		
Administration	$	345
Interest expense		2,918
Professional fees		26,955
Loss Before Foreign Exchange Gain		(30,218)
Foreign exchange gain		18,020
Loss and Comprehensive Loss for the Period		(12,198)
Deficit, Beginning of Period		-
Deficit, End of Period	$	(12,198)
Basic and Diluted Loss Per Common Share	$	(12,198)
Weighted Average Number of Common Shares Outstanding		1

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

Columbus Silver Corporation

(A Development Stage Company) Statement 3

Consolidated Statement of Cash Flows

(Canadian Funds)

		Period from Incorporation (May 18, 2007) to September 30, 2007
Cash Used in Operating Activities		
Loss for the period	$	(12,198)
Changes in non-cash working capital items:		
Increase in accounts receivable		(23)
Increase in accounts payable		26,977
Decrease in promissory note		(22,267)
Increase in prepaid expenses		(1,004)
Net cash used in operating activities		(8,515)
Cash Provided by Financing Activities		
Advances from a related party		131,515
Common share issued upon incorporation		1
Net cash provided by financing activities		131,516
Cash Used in Investing Activities		
Mineral property acquisition, exploration and development costs		(23,138)
Advance of exploration funds to Cordex		(82,781)
Net cash used in investing activities		(105,919)
Change in Cash and Cash Equivalents During the Period		17,082
Cash and Cash Equivalents, Beginning of Period		-
Cash and Cash Equivalents, End of Period	$	17,082

Supplemental Cash Flow Information - Note 7

1. Nature of Operations and Going Concern

Columbus Silver Corporation (the "Company") was incorporated on May 18, 2007 under the laws of the Province of British Columbia, Canada. Its principal business activity is the exploration and development of silver mineral properties. All of the Company's mineral properties are currently located in the United States. The Company is in the process of exploring and developing its mineral properties, but has not yet determined whether the properties contain ore reserves that are economically recoverable. The recoverability of the amounts shown for mineral properties are dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development of mineral reserves and upon future profitable production. To date, the Company has not received any revenue from mining operations and is considered to be in the development stage.

These consolidated financial statements have been prepared on a going concern basis which contemplates that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business. For the period ended September 30, 2007, the Company reported a loss of $12,198 and has an accumulated deficit of $12,198 at that date. Its ability to continue as a going concern is dependent upon the continued support of its parent company Columbus Gold Corp., the completion of the Company's initial public offering, the discovery of economically recoverable reserves and ultimately the attainment of profitable operations. These circumstances lend substantial doubt as to the ability of the Company to meet its obligations as they come due and, accordingly, the appropriateness of the use of accounting principles applicable to a going concern. These consolidated financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern.

2. Significant Accounting Policies

(a) Basis of presentation

These consolidated financial statements are presented in accordance with generally accepted accounting principles ("GAAP") applicable in Canada. These consolidated financial statements include the accounts of Columbus Silver Corporation and its wholly owned subsidiary Columbus Silver (U.S.) Corporation. All inter-company transactions and balances have been eliminated upon consolidation.

(b) Cash and cash equivalents

Cash equivalents consist of investments which are readily convertible into cash with maturities of three months or less when purchased.

2. Significant Accounting Policies (continued)

(c) 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 amount of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the period. Actual results could differ from these estimates.

(d) Foreign currency translation

The Company's reporting currency is the Canadian dollar and the Company uses the temporal method of foreign currency translation for translating the operations of its fully integrated wholly-owned US subsidiary. Transactions are translated into Canadian dollars as follows:

a) Monetary items at the rate prevailing at the balance sheet date;
b) Non-monetary items at the historical exchange rate;
c) Revenue and expense at the average exchange rate for the period;
d) Gains or losses arising on translation are included in the statement of operations.

(e) Future income taxes

Future income taxes are recorded using the asset and liability method whereby future income tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Future tax assets and liabilities are measured using enacted or substantively enacted tax rates expected to apply when the asset is realized or the liability settled. The effect on future tax assets and liabilities of a change in tax rates is recognized in income in the period that substantive enactment or enactment occurs. To the extent that the Company does not consider it to be more likely than not that a future tax asset will be recovered, it provides a valuation allowance against the excess.

2. Significant Accounting Policies (continued)

(f) Mineral properties

The Company is in the exploration stage and defers all expenditures related to its mineral properties until such time as the property is put into commercial production, sold or abandoned. Under this method, the amounts reported represent costs incurred to date less amounts amortized and/or written off, and do not necessarily represent present or future values.

If the property is put into commercial production, the expenditures will be depleted based upon the proven reserves available. If the property is sold or abandoned, then the expenditure will be charged to operations. The Company does not accrue the estimated future costs of maintaining in good standing its mineral properties.

In the event that reserves are determined, the carrying values of a mineral property interest, on a property-by-property basis, will be reviewed by management at least annually to determine if they have become impaired. If impairment is deemed to exist, then the mineral property will be written down to its net recoverable value. The ultimate recoverability of the amounts capitalized is dependent upon the identification of economically recoverable ore reserves, the Company's ability to obtain the necessary financing to complete their development and to realize profitable production and proceeds from the disposition thereof. Management's estimates of recoverability of the Company's investment will be based on current conditions. However, it is possible that changes could occur in the near term, which could adversely affect management's estimates and may result in future write-downs of the capitalized property carrying values.

General exploration costs consist of exploration expenditures incurred in the process of evaluating potential property acquisitions. These costs are expensed as incurred unless the property is subsequently acquired and then the expenses are deferred.

(g) Loss per share

The Company uses the treasury stock method to compute the dilutive effect of options, warrants and similar instruments. Under this method the dilutive effect on earnings per common share is recognized from the use of the proceeds that could be obtained upon exercise of options, warrants and similar instruments. It assumes that the proceeds would be used to purchase common shares at the average market price during the period. Diluted loss per common share has not been presented separately as this calculation proved to be anti-dilutive.

Basic and diluted loss per common share are calculated using the weighted average number of shares outstanding during the period.

2. Significant Accounting Policies (continued)

(h) Risk management

The Company is engaged primarily in mineral exploration and manages related industry risk issues directly. The Company is at risk for environmental issues and fluctuations in commodity pricing. Management is not aware of and does not anticipate significant environmental remediation costs or liabilities in respect of its current operations.

The Company is not exposed to significant credit concentration risk. The Company is not exposed to significant interest rate risk.

The Company’s functional currency is the Canadian dollar. The Company operates in foreign jurisdictions, giving rise to significant exposure to market risks from changes in foreign currency rates. The financial risk is the risk to the Company's operations that arises from fluctuations in foreign exchange rates and the degree of volatility of these rates. Currently, the Company does not use derivative instruments to reduce its exposure to foreign currency risk.

(i) Stock-based compensation

All stock-based awards made to employees and non-employees are measured and recognized using a fair value based method. Accordingly, the fair value of the options at the date of the grant is accrued and charged to operations, with the offsetting credit to contributed surplus, on a straight-line basis over the vesting period. If and when the stock options are ultimately exercised, the applicable amounts of contributed surplus are transferred to share capital. Currently, the Company has not issued any stock-based awards.

(j) Financial Instruments – Recognition and Measurement

Section 3855 establishes standards for recognizing and measuring financial assets, financial liabilities and non-financial derivatives. It requires that financial assets and financial liabilities, including derivatives, be recognized on the Balance Sheet when the Company becomes a party to contractual provisions of the financial instrument or a derivative contract. All financial instruments should be measured at fair value on initial recognition except for certain related party transactions. Measurement in subsequent periods depends on whether the financial instrument has been classified as held-for-trading, available-for-sale, held-to-maturity, loans and receivables or other liabilities.

2. Significant Accounting Policies (continued)

Financial assets and financial liabilities held-for-trading are measured at fair value with gains and losses recognized in the Company's income / (loss) for the period. Financial assets held-to-maturity, loans and receivables and financial liabilities, other that those held-for-trading, are be measured at amortized cost using the effective interest method of amortization. Available-for-sale financial assets are measured at fair value with unrealized gains and losses including changes in foreign exchange rates being recognized in other comprehensive income ("OCI"). Investments in equity instruments classified as available-for-sale that do not have a quoted market price in an active market are measured at cost. Derivative instruments must be recorded on the balance sheet at fair value including those derivatives that are embedded in financial instruments or other contracts but are not closely related to the host financial instrument or contract, respectively. Changes in the fair values of derivative instruments are recognized in the Company's income / (loss) for the period, except for derivatives that are designated as a cash flow hedge, the fair value change for which are recognized in OCI. Section 3855 permits an entity to designate any financial instrument as held-for-trading on initial recognition or adoption of the standard, even if that instrument would not otherwise satisfy the definition of held-for-trading set out in Section 3855.

Other significant accounting implications arising on adoption of Section 3855 include the initial recognition of certain financial guarantees at fair value on the balance sheet and the immediate expensing of any related transaction costs, fees or premiums.

Financial instruments include cash, receivables, promissory note, amounts due to and from related parties, and accounts payable. The fair value of arms-length financial instruments approximate their carrying value due to their short-term to maturity.

The fair value of amounts due to and from related parties is estimated to approximate carrying value. Fair value adjustments, if any, are not reasonably determinable by management as comparable interest rate and risk profiles are not available.

Net smelter return ("NSR") royalties and related purchase provisions associated with mineral property interests represent derivatives that are financial instruments. The fair value of such instruments, where reserves and economic feasibility have not been established, cannot be readily determined with reliability. Accordingly, management has not made a determination of fair value for these financial instruments.

2. Significant Accounting Policies (continued)

(k) Asset retirement obligations

The Company recognizes the fair value of liabilities for asset retirement obligations in the period in which a reasonable estimate of such costs can be made. The asset retirement obligation is recorded as a liability with a corresponding increase to the carrying amount of the related long-lived asset. Subsequently, the asset retirement cost is allocated to expenses using a systematic and rational method and is also adjusted to reflect period-to-period changes in the liability resulting from passage of time and revisions to either timing or the amount of the original estimate of the undiscounted cash flow. As at September 30, 2007, the Company did not have any asset retirement obligations.

3. Mineral Properties

	May 18, 2007	Acquisition Cost	Deferred Exploration	Write-down/ Amortization	**September 30, 2007**
Silver District	$ -	$ 278,106	$ 3,793	$ -	**$ 281,899**
Silver Dome	-	212,392	12,781	-	**225,173**
Clanton Hills	-	35,919	-	-	**35,919**
Keg	-	44,554	325	-	**44,879**
Total Properties	**$ -**	**$ 570,971**	**$ 16,899**	**$ -**	**$ 587,870**

A breakdown of the exploration expenditures by type incurred during the period is as follows:

	Amount
Balance – May 18, 2007	$ -
Acquisition	570,971
Administration	321
Assays	323
Claim renewals	10,030
Geologists and staff	5,067
Travel	1,158
	587,870
Balance – September 30, 2007	**$587,870**

3. Mineral Properties (continued)

On September 1, 2007, the Company acquired a 100% interest, subject to underlying NSR royalties in four mineral properties from Columbus Gold (U.S.) Corp., a company under common control, in exchange for a promissory note (the "Note") valued at US$540,465.12 (Note 6). The Note bears a simple interest rate of 5% and is due on demand on or before August 31, 2008. The properties acquired in the transaction included Silver Dome, Silver District, Keg and Clanton Hills.

Silver Dome

Effective September 15, 2006, the Company holds a 10 year lease agreement (the "Steele Lease") whereby the Company leased 33 unpatented mining claims (the "Steele Claims"). The Steele Claims are subject to a 3.5% NSR and advance royalty payments as follows:

Date	Amount (in USD)	
On Execution of the Agreement	$ 5,000	(Paid)
By September 15, 2007	7,500	(Paid)
By September 15, 2008	10,000	
By September 15, 2009	12,500	
By September 15, 2010	15,000	
By September 15, 2011 *	$25,000	

* And each subsequent anniversary

The Company has the right to purchase the Steele Claims, which includes the NSR, for consideration of USD$2,000,000 of which prior royalty payments will receive credit.

The Company holds an additional 175 unpatented mining claims and holds two Utah State leases. The first lease is dated October 1, 2006 with an annual lease payment of $640 and the second lease is dated August 1, 2007 with an annual lease payment of $694. Both leases have a 10 year term, but a ten year renewal period is available. Furthermore, a 4% and 8% gross production royalty is payable on fissionable metalliferous minerals and non-fissionable metalliferous minerals, respectively.

Silver District

The Company holds 125 unpantented mining claims, 4 patented mining claims and a mineral exploration permit for 636 acres of land from the Arizona State Land Department. The permit is renewable annually for a fee of $1,272 and is valid until August 25, 2010.

3. **Mineral Properties** (continued)

Effective August 28, 2006, the Company holds a lease agreement (the "Red Cloud Lease") whereby the Company has leased one patented and two unpatented mining claims for a term of 20 years. The Red Cloud Lease is renewable for an additional term of 20 years. The initial term of the lease requires the payment of annual advance royalties as follows:

- USD$5000 in each of the first 4 years (Years 1 and 2 paid)
- USD$7,500 in years 5 through 9
- USD$10,000 in each year thereafter over the term of the lease

The Red Cloud Lease also provides for a 2% Net Returns Royalty ("NRR") to the lessor.

Effective February 1, 2007 the Company entered into an option agreement (the "Blaine Agreement") to acquire a patented mining claim contiguous with the Silver District Property. The purchase price was USD$300,000 payable over 7 years as follows:

Date	Amount (in USD)
On Execution of the Agreement	$40,000 (paid)
By February 1, 2008	30,000
By February 1, 2009	30,000
By February 1, 2010	30,000
By February 1, 2011	30,000
By February 1, 2012	30,000
By February 1, 2013	30,000
By February 1, 2014	$80,000

The Blaine Agreement provides for a 5% net profits interest ("NPI") to the vendors.

On September 1, 2007 the Company entered into a purchase agreement (the "Black Rock Agreement") to acquire two patented mining claims contiguous with the Silver District Property. The purchase price was USD$61,000 (paid).

Certain claims that form the Silver District Property are also subject to a 1.5% NSR to Hidefield Gold (US) Inc, a company with certain directors in common.

Keg

Effective April 28, 2007, the Company holds a ten year lease agreement (the "Keg Lease") whereby the Company leased 15 unpatented mining claims (the "Keg Claims") in Utah. The Keg Claims are subject to a 3% NSR and advance royalty payments as follows:

Date	Amount (in USD)	
On Execution of the Agreement	$ 5,000	(Paid)
By the April 28, 2008	7,500	
By the April 28, 2009	10,000	
By the April 28, 2010	12,500	
By the April 28, 2011	15,000	
By the April 28, 2012 *	$25,000	

* And each subsequent anniversary

The Company has the right to purchase 1% of the NSR for consideration of USD$1,000,000. Furthermore, the Company holds 35 additional claims that, together with the Keg Claims, comprise the Keg Property.

Clanton Hills

The Clanton Hills Property consists of 32 unpatented mining claims that were staked during 2006.

4. Share Capital

Common Shares

Authorized - Unlimited common shares without par value
Issued – The Company issued one incorporation share for $1 in cash.

5. Commitments

In September 2007, the Company entered into an operations agreement with Cordilleran Exploration Co. ("Cordex"), a company that shares an officer in common with the Company's subsidiary, Columbus Silver (U.S.) Corporation ("Columbus Silver (U.S.)"), to design, initiate and carry out mineral exploration and development activities in Nevada, and elsewhere in the United States on behalf of the Company with the objective of identifying, acquiring and exploring new mineral properties and operating exploration programs on the Company's existing portfolio of mineral properties.

5. **Commitments** (continued)

The agreement in place with Columbus Silver (U.S.) expires on December 31, 2009, but it contains an option to extend, under certain conditions, for up to an additional four years. Columbus Silver (U.S) provides Cordex with general operating capital, exclusive of third party contractor expenses, of up to USD$6,000 per month which includes a monthly management fee to Cordex of USD$2,200.

Further, Cordex is entitled to receive up to a 2% NSR on any claims that it stakes on behalf of the Company. If claims or mineral rights are identified by Cordex and acquired from third parties, then the Cordex NSR shall be the difference between a 4% NSR and the third party royalty provided, however, it shall be no less than 1% or greater than 2%. All properties acquired by the Company within two miles of a claim generated by Cordex will fall under an area of influence and become subject to the agreement.

6. Related Party Transactions

The following are related party transactions for the period ended September 30, 2007:

a) The Company incurred $2,202 (US$2,200) in geologist fees to Cordex, a company that shares an officer in common with Columbus Silver (U.S.).

b) The Company issued a promissory note for $564,342 (US$540,465) to acquire four silver properties from Columbus Gold (U.S.) Corp, a Company under common control.

At September 30, 2007, the total of $544,725 (US$542,717), which includes accrued interest of $2,260 (US$2,252), was owing to Columbus Gold (U.S.) Corporation under a promissory note bearing interest of 5% and a maturity date of August 31, 2008.

At September 30, 2007, a total of $82,781 was advanced to Cordex for planned future exploration expenditures on the Company's mineral properties.

As at September 30, 2007, a total of $132,079, which includes accrued interest of $564, was owing to Columbus Gold Corp, the Company's sole shareholder, under a $300,000 credit facility required to commence initial operations. The advance bears simple interest of 5% and will be repaid on completion of the Company's IPO.

These transactions were in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

7. Supplemental Cash Flow Information

	September 30, 2007
Cash paid for interest	$ -
Cash paid for income taxes	$ -

During the year, the only significant non-cash transaction to occur was the acquisition of four mineral properties by way of the issuance of a promissory note totaling US$540,465.

8. Income Taxes

A reconciliation of income taxes at statutory rates is as follows:

	2007
Loss before taxes for the period	$ (12,198)
Tax rate	34.12%
Expected income tax (recovery)	$ (4,162)
Non-taxable items	-
Deductible taxable items	(206,920)
Unrecognized benefit of non-capital loss	211,082
Total income tax expense	$ -

Details of the Company's future income tax assets are as follows:

	2007
Non-capital loss carryforwards	$ 211,082
Valuation allowance	(211,082)
Net future income tax assets	$ -

8. Income Taxes (continued)

As at September 30, 2007, the Company has available non-capital losses for income tax purposes of approximately $23,000 which may be carried forward and applied against future taxable income when earned. United States net operating losses totaling $595,000 may be limited if more than a 50% ownership change occurs with respect to any Company included in the consolidated group. If an ownership change occurs, such losses are limited on an annual basis to the value of the respective Company on the date of change multiplied by the U.S. federal long-term, tax-exempt rate in effect for the period. In addition, some U.S. net operating losses may be subject to other limitations based on taxable income from wholly owned subsidiaries on a stand-alone basis.

These losses expire as follows:

	Canada	United States	Total
2017	$23,000	$ -	$ 23,000
2027	-	595,000	595,000
	$23,000	$595,000	$618,000

9. Segmented Information

	Year Ended September 30, 2007
Total Assets	
Canada	**$ 17,105**
USA	**671,655**
Total	**$688,760**
Net Loss	
Canada	**$ 23,088**
USA	**(10,890)**
Total	**$ 12,198**

10. Subsequent Events

Subsequent to the end of the period:

a) the Company entered into an agency agreement with Union Securities Ltd. (the "Agent") in support of the Company's proposed initial public offering (the "Offering") and exchange listing on the TSX Venture Exchange. The Agent will use its best efforts to complete an Offering of between $3,000,000 and $5,250,000 through the issuance of units at $0.75 per unit. Each unit would consist of a common share and a share purchase warrant exercisable into one additional common share at $1.25 per share for a period of 18 months from closing. However, should the shares of the Company trade at or above $1.50 per share for a period of 20 consecutive trading days, then the Company will have the option to accelerate the expiry date to a date which is not less than 7 days after deemed receipt of formal notice from the Company.

   In connection with the Offering the Agent will receive a non-refundable work fee of $25,000, reimbursement of reasonable expenses estimated to be $120,000, a cash commission of 7.5% of the gross proceeds of the Offering and agent's warrants totaling 10% of the units issued in the Offering. Finally, a 15% over-allotment option has been granted to the Agent.

b) the Company completed a 4,000,000 for 1 stock split effective November 13, 2007.

c) the Company granted, subject to completion of its maximum Offering under the IPO, a total of 1,955,000 stock options to directors, officers and consultants. However, the number of options granted are subject to change dependent upon the actual number of units sold under the IPO.

APPENDIX "B"

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Columbus Silver
CORPORATION

Suite 910 – 475 Howe Street
Vancouver, B.C.
V6C 2B3

INTERIM CONSOLIDATED FINANCIAL STATEMENTS
For The Six Month Period Ended
March 31, 2008

(Canadian Funds)

UNAUDITED

Columbus Silver Corporation

(A Development Stage Company) Statement 1

Interim Consolidated Balance Sheet

(Unaudited)

		March 31, 2008		September 30, 2007
ASSETS				
Current Assets				
Cash and cash equivalents	$	23,096	$	17,082
Prepaids		26,627		1,004
Deferred share issuance costs		12,582		-
Receivables		3,249		23
		65,554		18,109
Advances to a Related Party for Exploration (note 7)		80,189		82,781
Mineral Properties (note 4)		735,844		587,870
	$	881,587	$	688,760
LIABILITIES AND SHAREHOLDERS' EQUITY				
Current Liabilities				
Accounts payable and accrued liabilities	$	42,572	$	26,977
Promissory note (note 7)		571,678		542,465
Advance from a related party (note 7)		418,932		131,515
		1,033,182		700,957
Shareholders' Deficiency				
Share capital (note 5)		1		1
Deficit		(151,596)		(12,198)
		(151,595)		(12,197)
	$	881,587	$	688,760

Nature of operations and going concern (note 1)

Commitments (note 6)

Approved by the Board of Directors:

"Ken Judge"

Ken Judge - Director

"Robert Giustra"

Robert Giustra - Director

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

Columbus Silver Corporation

(A Development Stage Company) Statement 2

Interim Consolidated Statement of Loss, Comprehensive Loss and Deficit

(Unaudited)

	Three Month Period Ended March 31, 2008	Six Month Period Ended March 31, 2008
Expenses		
Administration	$ 8,682	$ 9,557
Corporate administration fees	10,766	10,766
Regulatory and filing fees	12,855	12,855
General exploration	21,946	27,315
Interest expense	10,379	19,295
Professional fees	14,424	35,281
Shareholder relations	1,945	3,806
Travel	9,115	9,115
Loss Before Other Items	(90,112)	(127,990)
Foreign Exchange Loss	(16,775)	(12,465)
Interest Income	373	1,057
Loss and Comprehensive Loss for the Period	(106,514)	(139,398)
Deficit, Beginning of Period	(45,082)	(12,198)
Deficit, End of Period	(151,596)	$ (151,596)
Basic and Diluted Loss Per Common Share	(0.03)	$ (0.03)
Weighted Average Number of Common Shares Outstanding	4,000,000	4,000,000

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

Columbus Silver Corporation

(A Development Stage Company) — Statement 3

Interim Consolidated Statement of Cash Flows

(Unaudited)

	Three Month Period Ended March 31, 2008	Six Month Period Ended March 31, 2008
Cash Used in Operating Activities		
Loss for the period	(106,514)	$ (139,398)
Changes in non-cash working capital items:		
Increase in accounts receivable	(2,260)	(3,226)
Decrease in accounts payable	19,050	15,595
Increase in deferred share issuance costs	(12,582)	(12,582)
Increase in prepaid expenses	(11,627)	(25,623)
Increase in promissory note	28,689	29,213
Net cash used in operating activities	(85,244)	(136,021)
Cash Provided by Financing Activities		
Advances from related party	168,932	287,417
Net cash provided by financing activities	168,932	287,417
Cash Used in Investing Activities		
Mineral property exploration and development costs	(95,795)	(147,974)
Advance of exploration funds to Cordex	(56,054)	2,592
Net cash used in investing activities	(151,849)	(145,382)
Change in Cash and Cash Equivalents During the Period	(68,161)	6,014
Cash and Cash Equivalents, Beginning of Period	91,257	17,082
Cash and Cash Equivalents, End of Period	23,096	$ 23,096

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

1. Nature of Operations and Going Concern

Columbus Silver Corporation (the "Company") was incorporated on May 18, 2007 under the laws of the Province of British Columbia, Canada. Its principal business activity is the exploration and development of silver projects. All of the Company's mineral properties are currently located in the United States. The Company is in the process of exploring and developing its mineral properties, but has not yet determined whether the properties contain ore reserves that are economically recoverable. The recoverability of the amounts shown for mineral properties are dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the exploration and development of mineral reserves and upon future profitable production. To date, the Company has not received any revenue from mining operations and is considered to be in the development stage.

These interim consolidated financial statements have been prepared on a going concern basis which contemplates that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business. For the period ended March 31, 2008, the Company reported a loss of $139,398 and has an accumulated deficit of $151,596 at that date. Its ability to continue as a going concern is dependent upon the continued support of related parties, the completion of the Company's initial public offering ("IPO"), the discovery of economically recoverable reserves and ultimately the attainment of profitable operations. These circumstances lend substantial doubt as to the ability of the Company to meet its obligations as they come due and, accordingly, the appropriateness of the use of accounting principles applicable to a going concern. These interim consolidated financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern.

2. Significant Accounting Policies

(a) Basis of presentation

These interim consolidated financial statements are presented in accordance with generally accepted accounting principles ("GAAP") applicable in Canada. These interim consolidated financial statements include the accounts of Columbus Silver Corporation and its wholly owned subsidiary Columbus Silver (U.S.) Corporation. All inter-company transactions and balances have been eliminated upon consolidation.

(b) Cash and cash equivalents

Cash equivalents consist of investments which are readily convertible into cash with maturities of three months or less when purchased.

2. Significant Accounting Policies (continued)

(c) 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 amount of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the period. Actual results could differ from these estimates.

(d) Foreign currency translation

The Company's functional and reporting currency is the Canadian dollar and the Company uses the temporal method of foreign currency translation for translating the operations of its fully integrated wholly-owned US subsidiary. Transactions are translated into Canadian dollars as follows:

a) Monetary items at the rate prevailing at the balance sheet date;
b) Non-monetary items at the historical exchange rate;
c) Revenue and expense at the average exchange rate for the period;
d) Gains or losses arising on translation are included in the statement of operations.

(e) Future income taxes

Future income taxes are recorded using the asset and liability method whereby future income tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Future tax assets and liabilities are measured using enacted or substantively enacted tax rates expected to apply when the asset is realized or the liability settled. The effect on future tax assets and liabilities of a change in tax rates is recognized in income in the period that substantive enactment or enactment occurs. To the extent that the Company does not consider it to be more likely than not that a future tax asset will be recovered, it provides a valuation allowance against the excess.

(f) Stock-based compensation

All stock-based awards made to employees and non-employees are measured and recognized using a fair value based method. Accordingly, the fair value of the options at the date of the grant is accrued and charged to operations, with the offsetting credit to contributed surplus, on a straight-line basis over the vesting period. If and when the stock options are ultimately exercised, the applicable amounts of contributed surplus are transferred to share capital.

2. Significant Accounting Policies (continued)

(g) Mineral properties

The Company is in the exploration stage and defers all expenditures related to its mineral properties until such time as the property is put into commercial production, sold or abandoned. Under this method, the amounts reported represent costs incurred to date less amounts amortized and/or written off, and do not necessarily represent present or future values.

If the property is put into commercial production, the expenditures will be depleted based upon the proven reserves available. If the property is sold or abandoned, then the expenditure will be charged to operations. The Company does not accrue the estimated future costs of maintaining in good standing its mineral properties.

In the event that reserves are determined, the carrying values of a mineral property interest, on a property-by-property basis, will be reviewed by management at least annually to determine if they have become impaired. If impairment is deemed to exist, then the mineral property will be written down to its net recoverable value. The ultimate recoverability of the amounts capitalized is dependent upon the identification of economically recoverable ore reserves, the Company's ability to obtain the necessary financing to complete their development and to realize profitable production and proceeds from the disposition thereof. Management's estimates of recoverability of the Company's investment will be based on current conditions. However, it is possible that changes could occur in the near term, which could adversely affect management's estimates and may result in future write-downs of the capitalized property carrying values.

General exploration costs consist of exploration expenditures incurred in the process of evaluating potential property acquisitions. These costs are expensed as incurred unless the property is subsequently acquired and then the expenses are deferred.

(h) Loss per share

The Company uses the treasury stock method to compute the dilutive effect of options, warrants and similar instruments. Under this method the dilutive effect on earnings per common share is recognized from the use of the proceeds that could be obtained upon exercise of options, warrants and similar instruments. It assumes that the proceeds would be used to purchase common shares at the average market price during the period. Diluted loss per common share has not been presented separately as this calculation proved to be anti-dilutive.

Basic and diluted loss per common share are calculated using the weighted average number of shares outstanding during the period.

2. Significant Accounting Policies (continued)

(i) Financial Instruments – Recognition and Measurement

CICA Handbook Section 3855 establishes standards for recognizing and measuring financial assets, financial liabilities and non-financial derivatives. It requires that financial assets and financial liabilities, including derivatives, be recognized on the Balance Sheet when the Company becomes a party to contractual provisions of the financial instrument or a derivative contract. All financial instruments should be measured at fair value on initial recognition except for certain related party transactions. Measurement in subsequent periods depends on whether the financial instrument has been classified as held-for-trading, available-for-sale, held-to-maturity, loans and receivables or other liabilities.

Financial assets and financial liabilities held-for-trading are measured at fair value with gains and losses recognized in the Company's income / (loss) for the period. Financial assets held-to-maturity, loans and receivables and financial liabilities, other that those held-for-trading, are be measured at amortized cost using the effective interest method of amortization. Available-for-sale financial assets are measured at fair value with unrealized gains and losses including changes in foreign exchange rates being recognized in other comprehensive income ("OCI"). Investments in equity instruments classified as available-for-sale that do not have a quoted market price in an active market are measured at cost. Derivative instruments must be recorded on the balance sheet at fair value including those derivatives that are embedded in financial instruments or other contracts but are not closely related to the host financial instrument or contract, respectively. Changes in the fair values of derivative instruments are recognized in the Company's income / (loss) for the period, except for derivatives that are designated as a cash flow hedge, the fair value change for which are recognized in OCI. Section 3855 permits an entity to designate any financial instrument as held-for-trading on initial recognition or adoption of the standard, even if that instrument would not otherwise satisfy the definition of held-for-trading set out in Section 3855.

Other significant accounting implications arising from Section 3855 include the initial recognition of certain financial guarantees at fair value on the balance sheet and the immediate expensing of any related transaction costs, fees or premiums.

The Company's financial instruments include cash, receivables, amounts due to and from related parties, promissory note and accounts payable. The fair value of arms-length financial instruments approximate their carrying value due to their short-term to maturity.

2. Significant Accounting Policies (continued)

(j) Risk management

The Company is engaged primarily in mineral exploration and manages related industry risk issues directly. The Company is at risk for environmental issues and fluctuations in commodity pricing. Management is not aware of and does not anticipate significant environmental remediation costs or liabilities in respect of its current operations.

The Company is not exposed to significant credit concentration risk. The Company is not exposed to significant interest rate risk.

The Company's functional currency is the Canadian dollar. The Company operates in foreign jurisdictions, giving rise to significant exposure to market risks from changes in foreign currency rates. The financial risk is the risk to the Company's operations that arises from fluctuations in foreign exchange rates and the degree of volatility of these rates. Currently, the Company does not use derivative instruments to reduce its exposure to foreign currency risk.

(k) Asset retirement obligations

The Company recognizes the fair value of liabilities for asset retirement obligations in the period in which a reasonable estimate of such costs can be made. The asset retirement obligation is recorded as a liability with a corresponding increase to the carrying amount of the related long-lived asset. Subsequently, the asset retirement cost is allocated to expenses using a systematic and rational method and is also adjusted to reflect period-to-period changes in the liability resulting from passage of time and revisions to either timing or the amount of the original estimate of the undiscounted cash flow. As at December 31, 2007, the Company did not have any asset retirement obligations.

(l) Recent Canadian Accounting Pronouncements

Recent Canadian accounting pronouncements that have been issued but are not yet effective, and which may affect the Company's financial reporting are summarized below:

(i) <u>Capital Disclosures</u>

In December 2006, the Canadian Institute of Chartered Accountants ("CICA") issued Handbook Section 1535, *Capital Disclosures*, which establishes standards for disclosing information about an entity's capital and how it is managed. The entity's disclosure should include information about its objectives, policies and processes for managing capital and disclosure whether or not it has complied and the consequences of non-compliance with any capital requirements to which it is subject.

2. Significant Accounting Policies (continued)

This new standard will become effective for the Company beginning on January 1, 2008. The Company is reviewing this standard and has not yet determined the impact, if any, on the consolidated financial statements upon its adoption on October 1, 2008.

(ii) Financial Instruments – Disclosures and Financial Instruments - Presentation

In December 2006, the CICA issued Handbook Sections 3862, *Financial Instruments – Disclosures*, and 3863, *Financial Instruments – Presentation*. Section 3862 modifies the disclosure requirements of Section 3861, *Financial Instruments – Disclosure and Presentation*, including required disclosure for the assessment of the significance of financial instruments for an entity's financial position and performance and of the extent of risks arising from financial instruments to which the Company is exposed and how the Company manages those risks, whereas Section 3863 carries forward the presentation related requirements of Section 3861. These new standards will become effective for the Company beginning on October 1, 2008. The Company is currently evaluating the impact of this standard.

(iii) Going Concern

In April 2007, the CICA approved amendments to Handbook Section 1400, *General Standards of Financial Statement Presentation.* These amendments require management to assess an entity's ability to continue as a going concern. When management is aware of material uncertainties related to events or conditions that may cast doubt on an entity's ability to continue as a going concern, those uncertainties must be disclosed. In assessing the appropriateness of the going concern assumption, the standard requires management to consider all available information about the future, which is at least, but not limited to, twelve months from the balance sheet date. The new requirements of the standard are applicable for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2008. The Company is currently evaluating the impact of this standard upon its adoption for annual financial statements relating to its fiscal year beginning on October 1, 2008.

(iv) International Financial Reporting Standards ("IFRS")

In January 2006, CICA Accounting Standards Board ("AcSB") adopted a strategic plan for the direction of accounting standards in Canada. As part of that plan, accounting standards in Canada for public companies are expected to converge with International Financial Reporting Standards ("IFRS") by the end of 2011. The Company continues to monitor and assess the impact of convergence of Canadian GAAP and IFRS.

3. Adoption of New Canadian Accounting Pronouncements

a) *Accounting Changes*

Effective October 1, 2007, the Company adopted revised CICA Section 1506, *Accounting Changes*, which provides expanded disclosures for changes in accounting policies, accounting estimates and corrections of errors. Under this standard, accounting changes should be applied retrospectively unless otherwise permitted or where impracticable to determine. As well, voluntary changes in accounting policy are made only when required by a primary source of GAAP or the change results in more relevant and reliable information. The adoption of this section had no material impact on the consolidated financial statements of the Company.

b) *Financial Instruments, Comprehensive Income, and Hedges*

On October 1, 2007, the Company adopted the CICA Handbook Sections 1530, *Comprehensive Income*; Section 3855, *Financial Instruments – Recognition and Measurement*; Section 3861, *Financial Instruments – Disclosure and Presentation*; and Section 3865, *Hedges*.

(i) <u>Financial Instruments</u>

Under Section 3855, financial assets and liabilities, including derivative instruments, are initially recognized and subsequently measured based on their classification as held-for-trading, available for sale financial assets, held to maturity, loans and receivables, or other financial liabilities as follows:

- Held-for-trading financial instruments are measured at their fair value with changes in fair value recognized in net income for the period.
- Available for sale financial assets are measured at their fair value and changes in fair value are included in other comprehensive income until the asset is removed from the balance sheet.
- Held-to-maturity investments, loans and receivables and other financial liabilities are measured at amortized cost using the effective interest rate method.
- Derivative instruments, including embedded derivatives, are measured at their fair value with changes in fair value recognized in net income for the period unless the instrument is a cash flow hedge and hedge accounting applies in which case changes in fair value are recognized in other comprehensive income.

Upon adoption of this new standard, the Company designated its cash and cash equivalents as held-for-trading, which is measured at fair value. Receivables have been designated as loans and receivables, which are measured at amortized cost. Accounts payable and accrued liabilities and due to related parties are classified as other financial liabilities, which are measured at amortized cost.

3. Adoption of New Canadian Accounting Pronouncements (continued)

Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair value of these financial instruments approximates their carrying value due to their short-term maturity or capacity of prompt liquidation.

CICA Handbook Section 3861 establishes standards for presentation of financial instruments and non-financial derivatives, and identifies the information that should be disclosed about them.

(ii) Comprehensive Income

Section 1530 introduces the concept of comprehensive income, which is calculated by including other comprehensive income with net income. Other comprehensive income represents changes in shareholders' equity arising from transactions and other events with non-owner sources such as unrealized gains and losses on financial assets classified as available-for sale.

(iii)Hedges

Section 3865 specifies the circumstances under which hedge accounting is permissible and how hedge accounting may be performed, as well as the disclosure requirements. Hedge accounting enables the recording of gains, losses, revenues and expenses from derivative financial instruments in the same period as for those related to the hedged item. The adoption of this section is optional. The Company is not currently engaged in hedging activities.

Upon adoption of these new sections, the transition rules require that the Company adjusts either the opening deficit or accumulated other comprehensive income as if the new rules had always been applied in the past, without restating comparative figures of prior years. The Company has evaluated the impact of these new sections on its consolidated financial statements and determined that no significant adjustments were required upon adoption.

c) Equity

Effective October 1, 2007, the Company adopted CICA Section 3251, *Equity*, which establishes standards for the presentation of equity and changes in equity during the reporting periods presented. As there are no changes resulting from the adoption of Section 1530, discussed above, the adoption of this policy had no impact on the Company's consolidated financial statements for any of the periods presented.

4. Mineral Properties

The following tables provide a breakdown of exploration expenditures by property:

	September 30, 2007	Acquisition Cost	Deferred Exploration	Write-down/ Amortization	**March 31, 2008**
Silver District	$ 281,899	$ 37,883	$ 9,825	$ -	**$ 329,607**
Silver Dome	225,173	193	66,522	-	**291,888**
Clanton Hills	35,919	-	3,385	-	**39,304**
Keg	44,879	-	17,048	-	**61,927**
Ferguson Flats	-	2,799	10,319		**13,118**
Total Properties	**$ 587,870**	**$ 40,875**	**$ 107,099**	**$ -**	**$ 735,844**

	May 18, 2007	Acquisition Cost	Deferred Exploration	Write-down/ Amortization	**September 30, 2007**
Silver District	$ -	$ 278,106	$ 3,793	$ -	**$ 281,899**
Silver Dome	-	212,392	12,781	-	**225,173**
Clanton Hills	-	35,919	-	-	**35,919**
Keg	-	44,554	325	-	**44,879**
Total Properties	**$ -**	**$ 570,971**	**$ 16,899**	**$ -**	**$ 587,870**

A breakdown of the exploration expenditures by type incurred during the period is as follows:

	Amount
Balance – September 30, 2007	$587,870
Acquisition	40,875
Administration	24,486
Assays	780
Claim renewals	36,426
Geologists and staff	22,125
Geophysics	10,248
Travel	13,034
	147,974
Balance – March 31, 2008	**$735,844**

4. Mineral Properties (continued)

On September 1, 2007, the Company acquired a 100% interest, subject to underlying NSR royalties in four mineral properties from Columbus Gold (U.S.) Corp., an affiliate company, in exchange for a promissory note (the "Note") valued at US$540,465 (Note 6). The Note bears a simple interest rate of 5% and is due on demand on or before August 31, 2008. The properties acquired in the transaction included Silver Dome, Silver District, Keg and Clanton Hills. See note 9(b) for change in the promissory note maturity date.

Silver Dome

The Company holds a 10 year lease agreement whereby the Company leased 33 unpatented mining claims (the "Steele Claims") until September 15, 2016. The Steele Claims are subject to a 3.5% NSR and advance royalty payments as follows:

Date	Amount (in USD)	
On Execution of the Agreement	$ 5,000	(paid)
By September 15, 2007	7,500	(paid)
By September 15, 2008	10,000	
By September 15, 2009	12,500	
By September 15, 2010	15,000	
By September 15, 2011 *	$25,000	

* And each subsequent anniversary

The Company has the right to purchase the Steele Claims, which includes the NSR, for consideration of USD$2,000,000 of which prior royalty payments will receive credit.

The Company has staked an additional 175 unpatented mining claims and holds two Utah State leases. The first lease is dated October 1, 2006 with an annual lease payment of $640 and the second lease is dated August 1, 2007 with an annual lease payment of $694. Both leases have a 10 year term and are renewable for an additional ten years. Furthermore, a 4% and 8% gross production royalty is payable on fissionable metalliferous minerals and non-fissionable metalliferous minerals, respectively.

The Company entered into a lease agreement (the "Cactus lease") whereby it has leased a patented mining claim for a term of 10 years. The Company will pay annual advance royalties of US$5,000 in year 1, US$7,500 in year 2, US$10,000 in year 3 and each subsequent year. The Cactus lease is subject to a 4% NSR

Cordilleran Exploration Co. ("Cordex"), a company that shares an officer in common with the Company's subsidiary, Columbus Silver (U.S.) Corporation ("Columbus Silver (U.S.)") retains a 1% – 2% NSR on all Silver Dome mining claims.

4. Mineral Properties (continued)

Silver District

The Company holds 125 unpantented mining claims, 4 patented mining claims and a mineral exploration permit for 636 acres of land from the Arizona State Land Department. The permit is renewable annually for a fee of $1,272 and is valid until August 25, 2010.

The Company holds a lease agreement (the "Red Cloud Lease") dated August 28, 2006 whereby the Company has leased one patented and two unpatented mining claims for a term of 20 years. The Red Cloud Lease is renewable for an additional term of 20 years. The initial term of the lease requires the payment of annual advance royalties as follows:

- USD$5000 in each of the first 4 years (Years 1 and 2 paid)
- USD$7,500 in years 5 through 9
- USD$10,000 in each year thereafter over the term of the lease

The Red Cloud Lease also provides for a 2% NSR to the lessor.

The Company holds a purchase agreement (the "Blaine Agreement") to acquire a patented mining claim contiguous with the Silver District Property. The purchase price was USD$300,000 payable over 7 years as follows:

Date	Amount (in USD)
On Execution of the Agreement	$40,000 (paid)
By February 1, 2008	30,000 (paid)
By February 1, 2009	30,000
By February 1, 2010	30,000
By February 1, 2011	30,000
By February 1, 2012	30,000
By February 1, 2013	30,000
By February 1, 2014	$80,000

The Blaine Agreement provides for a 5% net profits interest ("NPI") to the vendors.

On September 1, 2007 the Company entered into a purchase agreement (the "Black Rock Agreement") to acquire two patented mining claims contiguous with the Silver District Property. The purchase price was USD$61,000 (paid).

Certain claims that comprise the Silver District Property are also subject to a 1.5% NSR to Hidefield Gold (US) Inc, a company with a director in common.

4. Mineral Properties (continued)

Clanton Hills

The Clanton Hills Property consists of 32 unpatented mining claims that were staked during 2006.

These claims are all subject to a 2% NSR to Cordex.

Keg

Effective April 28, 2007, the Company holds a ten year lease agreement whereby the Company leased 15 unpatented mining claims (the "Keg Claims") in Utah. The Keg Claims are subject to a 3% NSR and advance royalty payments as follows:

Date	Amount (in USD)	
On Execution of the Agreement	$ 5,000	(paid)
By the April 28, 2008	7,500	(paid)
By the April 28, 2009	10,000	
By the April 28, 2010	12,500	
By the April 28, 2011	15,000	
By the April 28, 2012 *	$25,000	

* And each subsequent anniversary

The Company has the right to purchase 1% of the NSR for consideration of USD$1,000,000. Furthermore, the Company has staked 35 additional claims that, together with the Keg Claims, comprise the Keg Property.

These claims are all subject to a 1 - 2% NSR to Cordex.

Ferguson Flats

The Ferguson Flats Property consists of 80 unpatented mining claims that were staked during 2008.

These claims are all subject to a 2% NSR to Cordex.

5. Share Capital

Common Shares

Authorized – Unlimited common shares without par value.

Issued – The Company initially issued one incorporation share for $1 in cash. Effective November 17, 2007, the Company completed a stock split which resulted in 4,000,000 common shares outstanding.

The Company, upon completion of its IPO, will grant a total of 2,080,000 incentive stock options to directors, officers and consultants pursuant to its newly adopted share option plan. The options will be exercisable at IPO offering price for a period of 5 years from the date of IPO completion.

6. Commitments

In September 2007, the Company entered into an operations agreement with Cordilleran Exploration Co. ("Cordex"), a company that shares an officer in common with the Company's subsidiary, Columbus Silver (U.S.), to design, initiate and carry out mineral exploration and development activities in Nevada, and elsewhere in the United States on behalf of the Company with the objective of identifying, acquiring and exploring new mineral properties and operating exploration programs on the Company's existing portfolio of mineral properties.

The agreement in place with Columbus Silver (U.S.) expires on December 31, 2009, but it contains an option to extend, under certain conditions, for up to an additional four years. Columbus Silver (U.S) provides Cordex with general operating capital, exclusive of third party contractor expenses, of up to USD$6,000 per month which includes a monthly management fee to Cordex of USD$2,500.

Further, Cordex is entitled to receive up to a 2% NSR on any claims that it stakes on behalf of the Company. If claims or mineral rights are identified by Cordex and acquired from third parties, then the Cordex NSR shall be the difference between a 4% NSR and the third party royalty provided, however, it shall be no less than 1% or greater than 2%. All properties acquired by the Company within two miles of a claim generated by Cordex will fall under an area of influence and become subject to the agreement.

7. Related Party Transactions

Except as disclosed elsewhere in these interim consolidated financial statements, the related party balances and transactions are as follows:

a) During the period ended March 31, 2008, the Company incurred $14,888 (US$15,000) in geologist fees to Cordex, a company that shares an officer in common with Columbus Silver (U.S.).

b) At March 31, 2008, a total of $571,678 (US$556,161), which includes accrued interest of $16,134 (US$15,696), was owing to Columbus Gold (U.S.) Corporation, a company under common control, under a promissory note bearing interest of 5% and a maturity date of August 31, 2008. See note 9(b) for change in maturity date.

c) At March 31, 2008, a total of $80,189 was advanced to Cordex for planned future exploration expenditures on the Company's mineral properties. The advance is non-interest bearing and has no specific terms of repayment.

d) As at March 31, 2008, a total of $425,449, including accrued interest of $6,517, was owing to Columbus Gold Corp, the Company's sole shareholder, for cash advances required to commence initial operations. The advance bears interest at 5% per annum and is payable upon demand. See note 9(b) for change in maturity date and principal value.

These transactions were in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

8. Segmented Information

	March 31, 2008
Total Assets	
Canada	$ 64,965
USA	816,622
Total	$881,587
Net Loss	
Canada	$ 79,158
USA	60,240
Total	$139,398

9. Subsequent Events

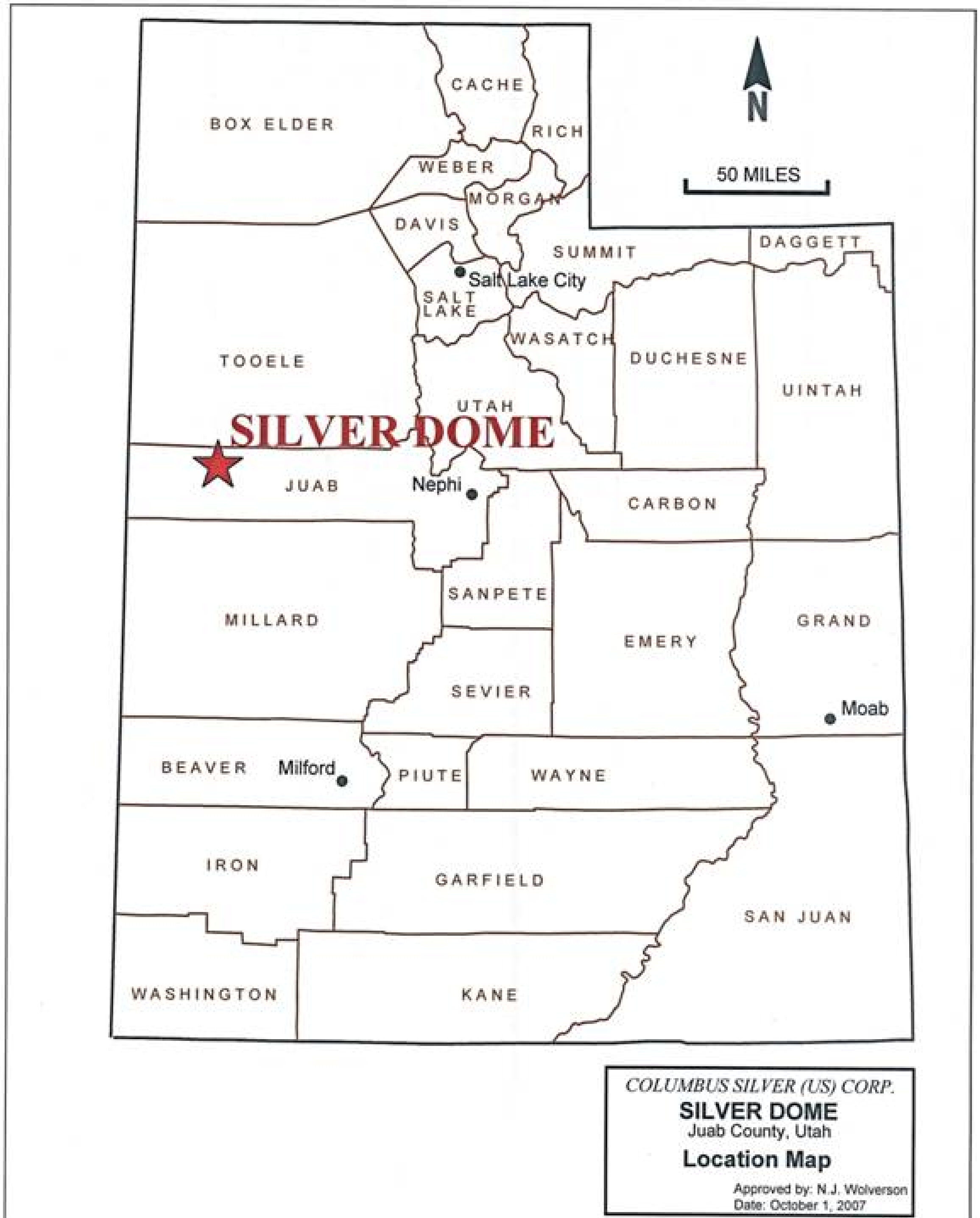
Subsequent to the end of the period,

a) the Company's final prospectus was receipted in all the proposed jurisdictions (including BC, AB, SK, ON). Union Securities Ltd. (the "Agent"), continues to assist the Company in its IPO. Under the proposed terms of the amended offering, Columbus Silver will raise between $1,600,000 and $5,250,000 through the issuance of units at $0.25 per unit. Each unit will consist of a common share and a share purchase warrant exercisable into an additional common share at $0.70 per share for a period on 18 months from the date of closing. Furthermore, the offering contains an over-allotment option to sell up to 3,150,000 additional units within 15 days of the final closing date.

b) effective July 1, 2008, the Company extended the promissory note with Columbus Gold (U.S.) Corp. from August 31, 2008 to August 31, 2010. Additionally, the Company extended the promissory note with Columbus Gold Corp. from August 31, 2008 to August 31, 2010 and has increased the amount of the loan facility from $300,000 to a maximum of $850,000. Furthermore, Columbus Gold (U.S.) Corp. and Columbus God Corp. have been given the right to convert the principal amounts outstanding under their respective loans or a portion thereof into common shares of the Company at a price of $0.50 per share (or, if the Company has completed its initial public offering on or before the date of the Conversion Notice, at a conversion rate equal to the price at which the securities of the Company were sold thereunder). All other terms of repayment remain the same.

APPENDIX "C" - MAPS

LIST OF FIGURES



N
50 MILES
CACHE
BOX ELDER
RICH
WEBER
MORGAN
DAVIS
DAGGETT
SUMMIT
Salt Lake City
SALT LAKE
WASATCH
DUCHESNE
TOOELE
UINTAH
UTAH
SILVER DOME
JUAB
Nephi
CARBON
SANPETE
MILLARD
GRAND
EMERY
SEVIER
Moab
BEAVER
Milford
PIUTE
WAYNE
IRON
GARFIELD
SAN JUAN
WASHINGTON
KANE
COLUMBUS SILVER (US) CORP.
SILVER DOME
Juab County, Utah
Location Map
Approved by: N.J. Wolverson
Date: October 1, 2007

Figure 1.1

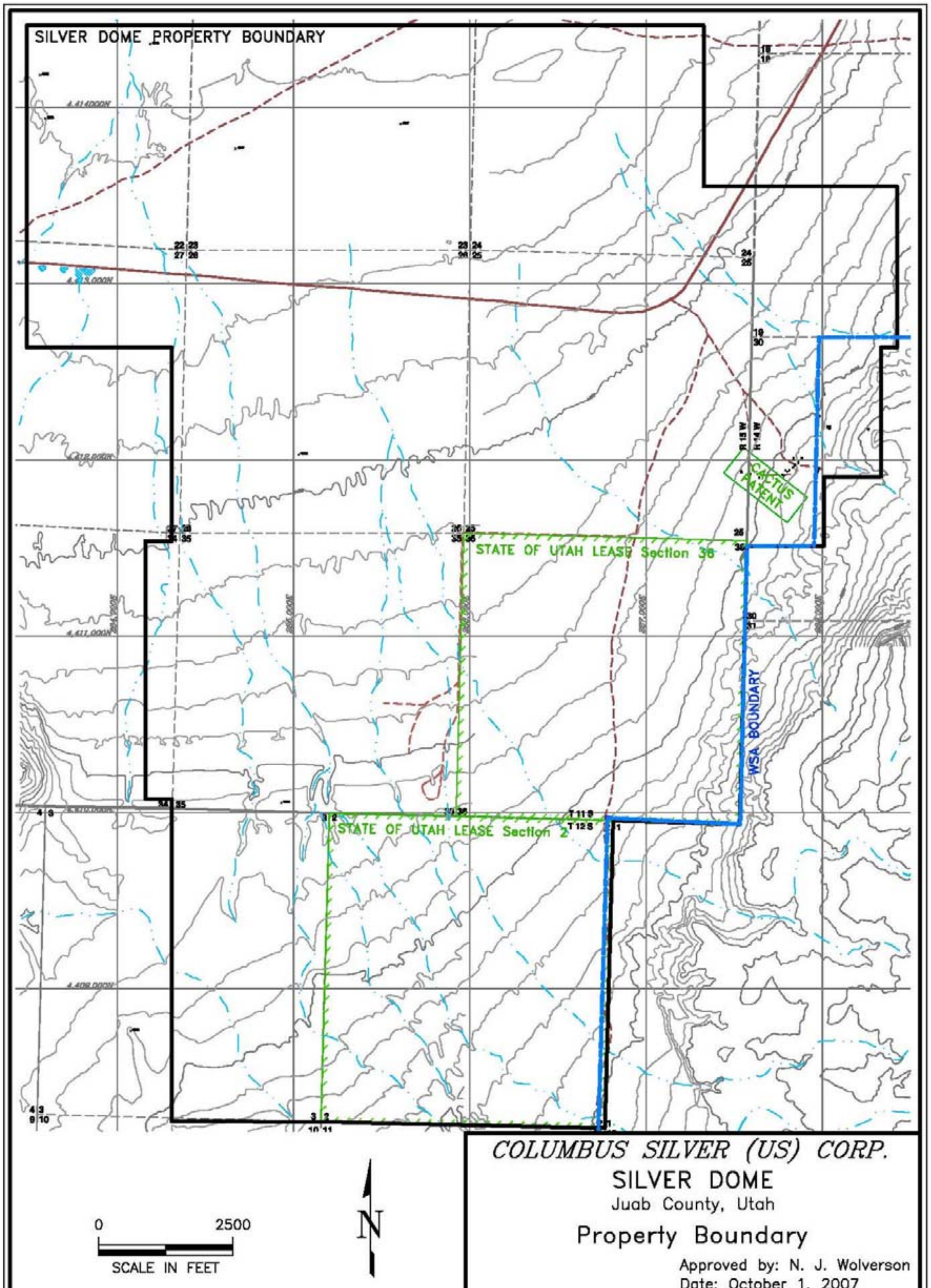

SILVER DOME PROPERTY BOUNDARY
STATE OF UTAH LEASE Section 36
STATE OF UTAH LEASE Section 2
CACTUS PATENT
WSA BOUNDARY
0
2500
SCALE IN FEET
N
COLUMBUS SILVER (US) CORP.
SILVER DOME
Juab County, Utah
Property Boundary
Approved by: N. J. Wolverson
Date: October 1, 2007

Figure 1.2

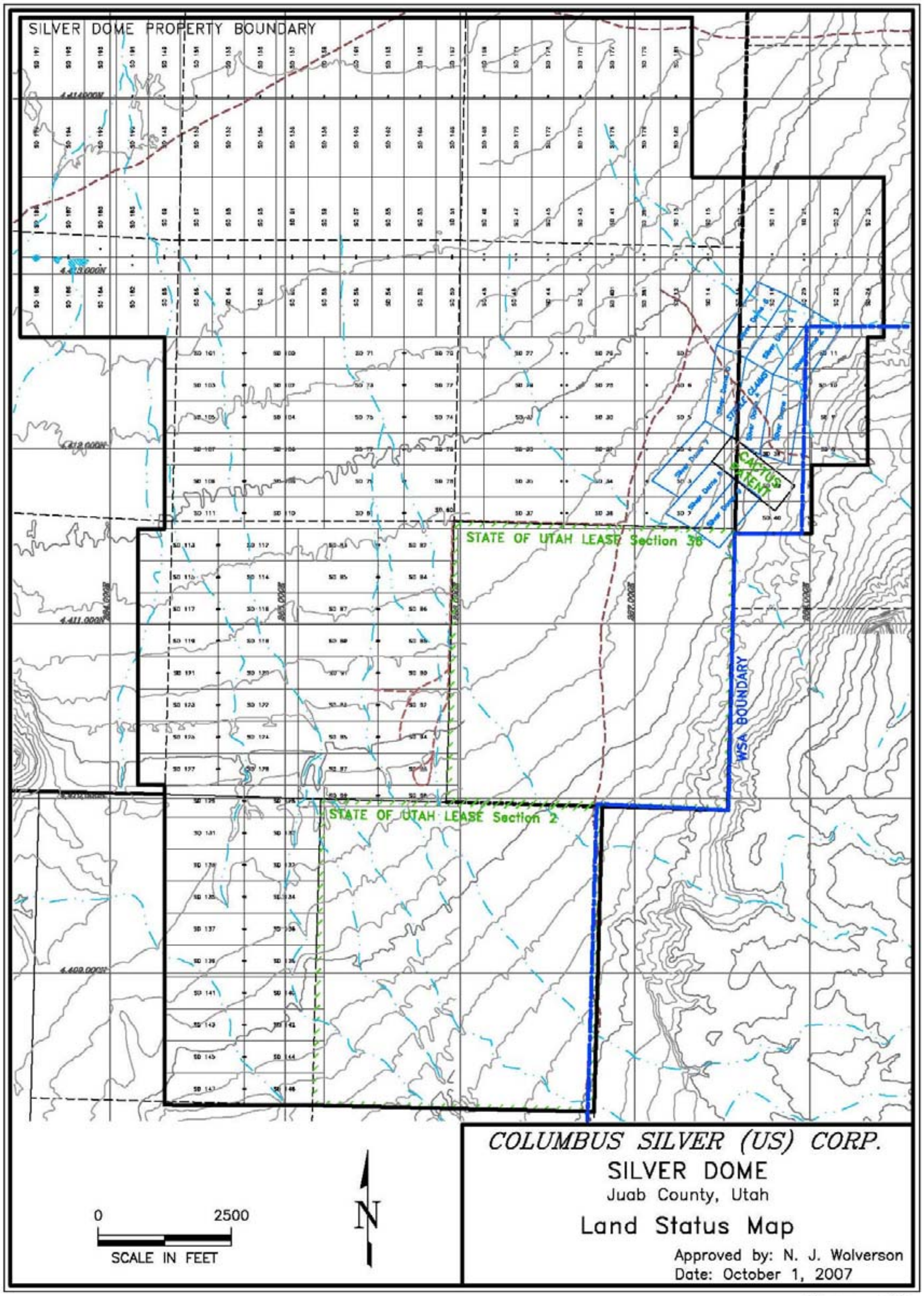
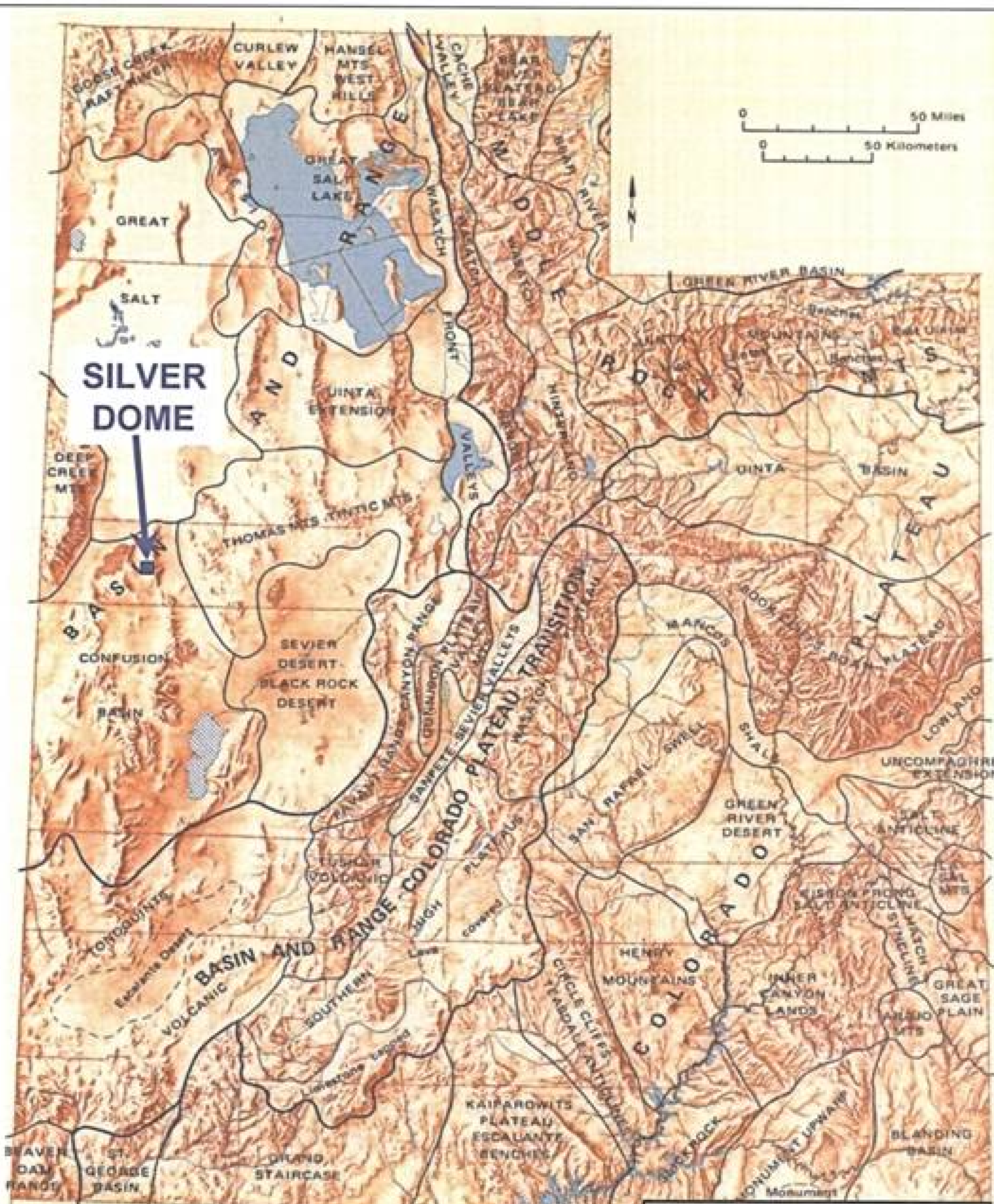

SILVER DOME PROPERTY BOUNDARY
STATE OF UTAH LEASE Section 36
STATE OF UTAH LEASE Section 2
WSA BOUNDARY
CACTUS PATENT
COLUMBUS SILVER (US) CORP.
SILVER DOME
Juab County, Utah
Land Status Map
Approved by: N. J. Wolverson
Date: October 1, 2007
0
2500
SCALE IN FEET
N

Figure 4.1



COLUMBUS SILVER (US) CORP.

SILVER DOME

Juab County, Utah

Physiographic Map of Utah

Approved by: N.J. Wolverson
Date: October 1, 2007

From Stokes, 1977

Figure 5.1

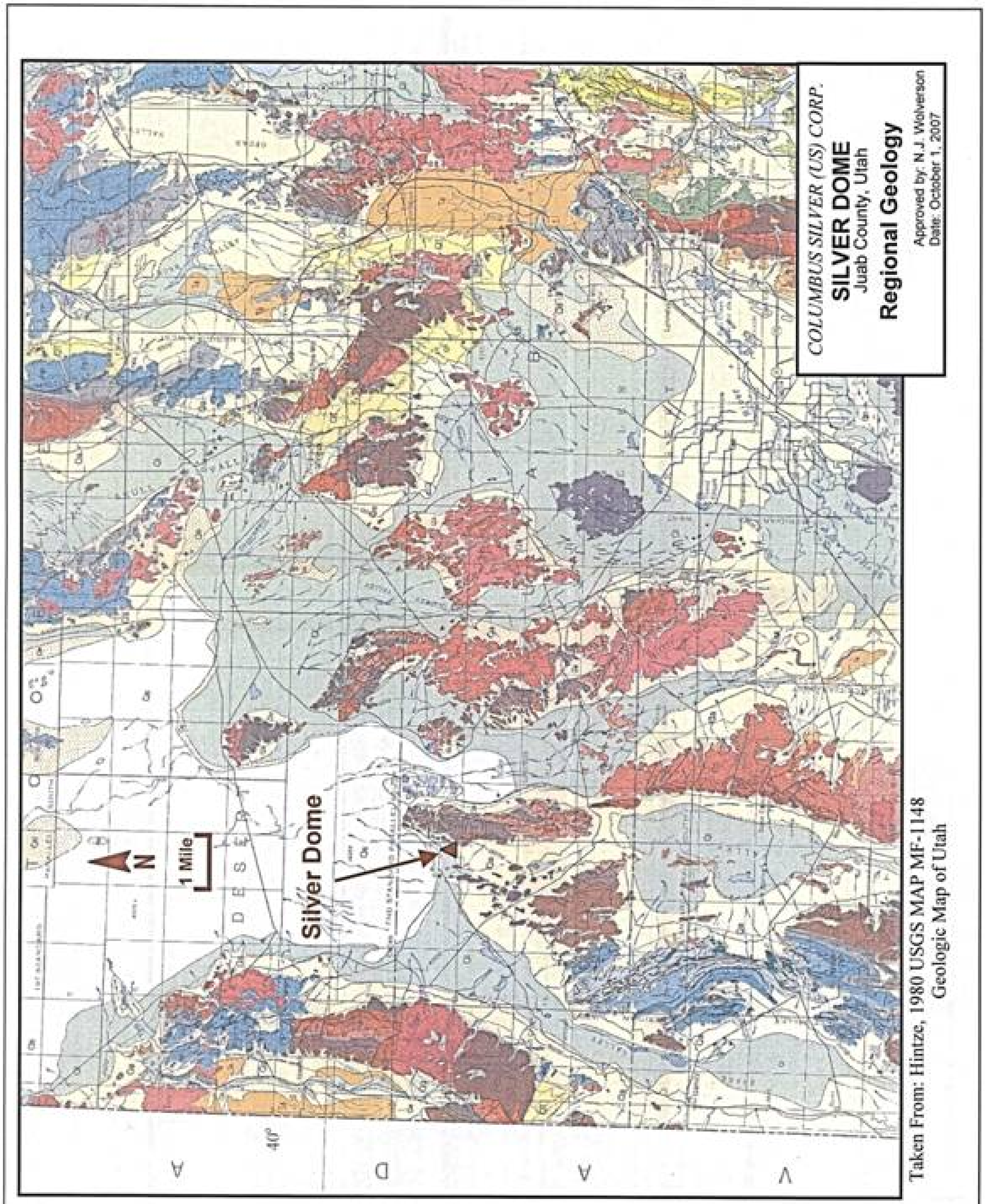
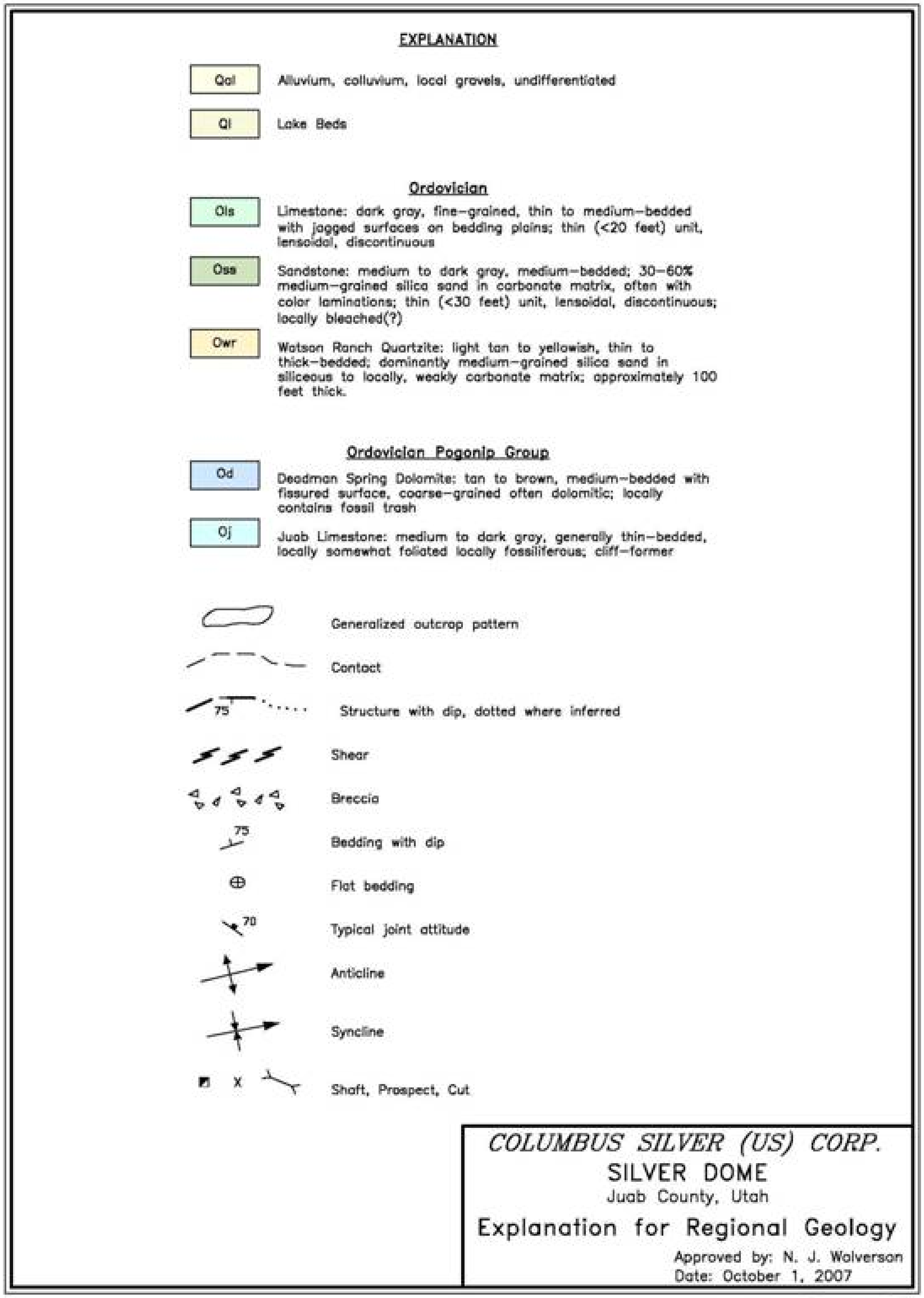
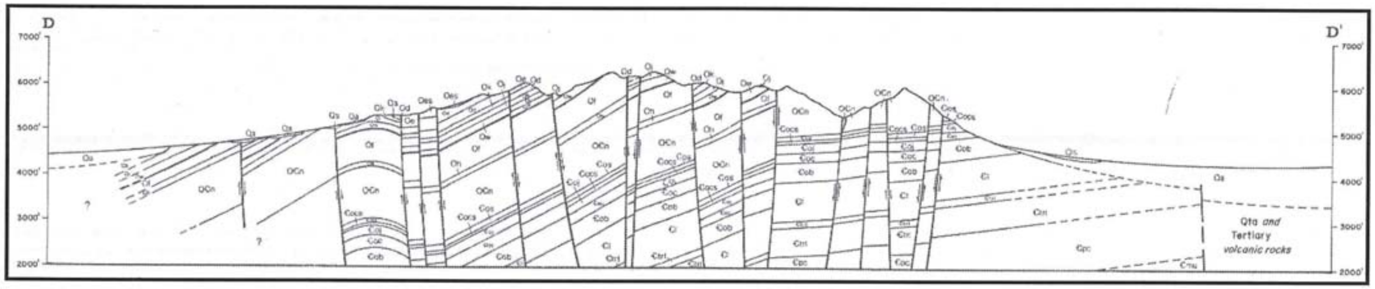

COLUMBUS SILVER (US) CORP.
SILVER DOME
Juab County, Utah
Regional Geology
Approved by: N.J. Wolverson
Date: October 1, 2007
Silver Dome
1 Mile
N
Taken From: Hintze, 1980 USGS MAP MF-1148
Geologic Map of Utah

Figure 7.1


EXPLANATION
Qal
Alluvium, colluvium, local gravels, undifferentiated
Ql
Lake Beds
Ordovician
Ols
Limestone: dark gray, fine-grained, thin to medium-bedded with jagged surfaces on bedding plains; thin (<20 feet) unit, lensoidal, discontinuous
Oss
Sandstone: medium to dark gray, medium-bedded; 30-60% medium-grained silica sand in carbonate matrix, often with color laminations; thin (<30 feet) unit, lensoidal, discontinuous; locally bleached(?)
Owr
Watson Ranch Quartzite: light tan to yellowish, thin to thick-bedded; dominantly medium-grained silica sand in siliceous to locally, weakly carbonate matrix; approximately 100 feet thick.
Ordovician Pogonip Group
Od
Deadman Spring Dolomite: tan to brown, medium-bedded with fissured surface, coarse-grained often dolomitic; locally contains fossil trash
Oj
Juab Limestone: medium to dark gray, generally thin-bedded, locally somewhat foliated locally fossiliferous; cliff-former
Generalized outcrop pattern
Contact
75
Structure with dip, dotted where inferred
Shear
Breccia
75
Bedding with dip
Flat bedding
70
Typical joint attitude
Anticline
Syncline
X
Shaft, Prospect, Cut
COLUMBUS SILVER (US) CORP.
SILVER DOME
Juab County, Utah
Explanation for Regional Geology
Approved by: N. J. Wolverson
Date: October 1, 2007
Figure 7.1



Taken From: Hintze, 1980 USGS MAP MF-1148

COLUMBUS SILVER (US) CORP.

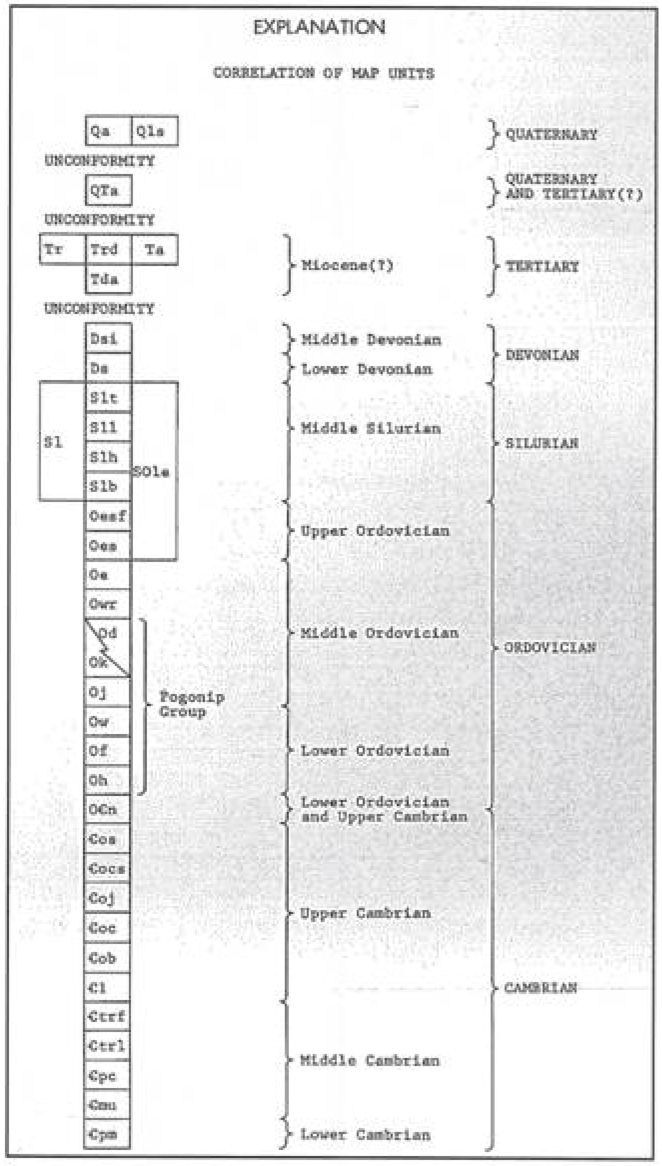
SILVER DOME

Juab County, Utah

Regional Geology Cross Section

Approved by: N.J. Wolverson
Date: October 1, 2007

Figure 7.2



Taken From: Hintze, 1980 USGS MAP MF-1148

COLUMBUS SILVER (US) CORP.

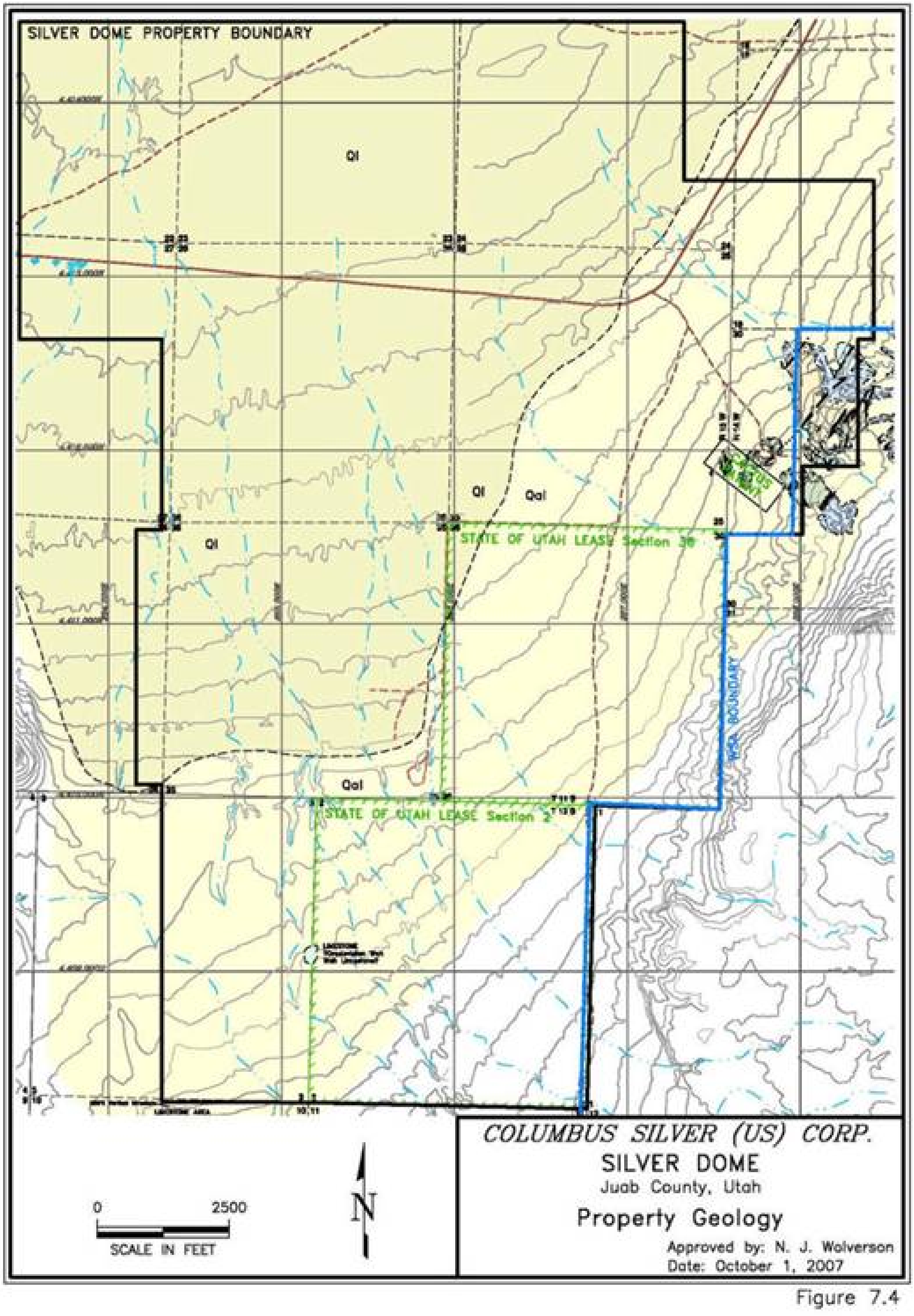
SILVER DOME

Juab County, Utah

Regional Stratigraphic Column

Approved by: N.J. Wolverson
Date: October 1, 2007

Figure 7.3


SILVER DOME PROPERTY BOUNDARY
Ql
Qal
STATE OF UTAH LEASE Section 36
STATE OF UTAH LEASE Section 2
WSA BOUNDARY
0
2500
SCALE IN FEET
N
COLUMBUS SILVER (US) CORP.
SILVER DOME
Juab County, Utah
Property Geology
Approved by: N. J. Wolverson
Date: October 1, 2007
Figure 7.4

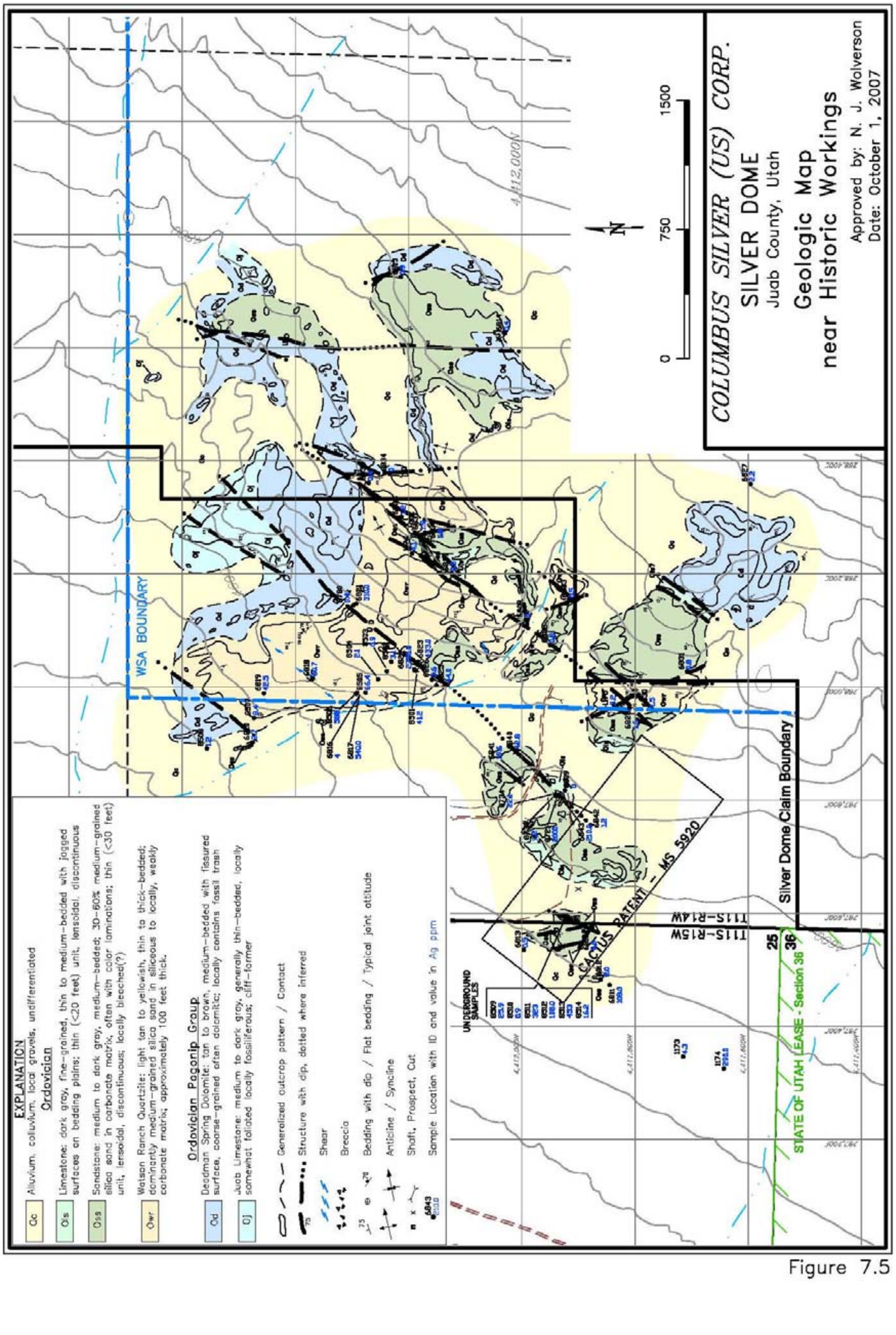

COLUMBUS SILVER (US) CORP.
SILVER DOME
Juab County, Utah
Geologic Map
near Historic Workings
Approved by: N. J. Wolverson
Date: October 1, 2007
0
750
1500
N
WSA BOUNDARY
Silver Dome Claim Boundary
CACTUS PATENT – MS 5920
T11S–R14W
T11S–R15W
25
36
STATE OF UTAH LEASE - Section 36
UNDERGROUND SAMPLES
EXPLANATION
Ordovician
Qc Alluvium, colluvium, local gravels, undifferentiated
Ols Limestone: dark gray, fine-grained, thin to medium-bedded with jagged surfaces on bedding plains; thin (<20 feet) unit, lensoidal, discontinuous
Oss Sandstone: medium to dark gray, medium-bedded; 30–60% medium-grained silica sand in carbonate matrix, often with color laminations; thin (<30 feet) unit, lensoidal, discontinuous; locally bleached(?)
Owr Watson Ranch Quartzite: light tan to yellowish, thin to thick-bedded; dominantly medium-grained silica sand in siliceous to locally, weakly carbonate matrix; approximately 100 feet thick.
Ordovician Pogonip Group
Od Deadman Spring Dolomite: tan to brown, medium-bedded with fissured surface, coarse-grained often dolomitic; locally contains fossil trash
Oj Juab Limestone: medium to dark gray, generally thin-bedded, locally somewhat foliated locally fossiliferous; cliff-former
Generalized outcrop pattern / Contact
Structure with dip, dotted where inferred
Shear
Breccia
Bedding with dip / Flat bedding / Typical joint attitude
Anticline / Syncline
Shaft, Prospect, Cut
Sample Location with ID and value in Ag ppm

Figure 7.5

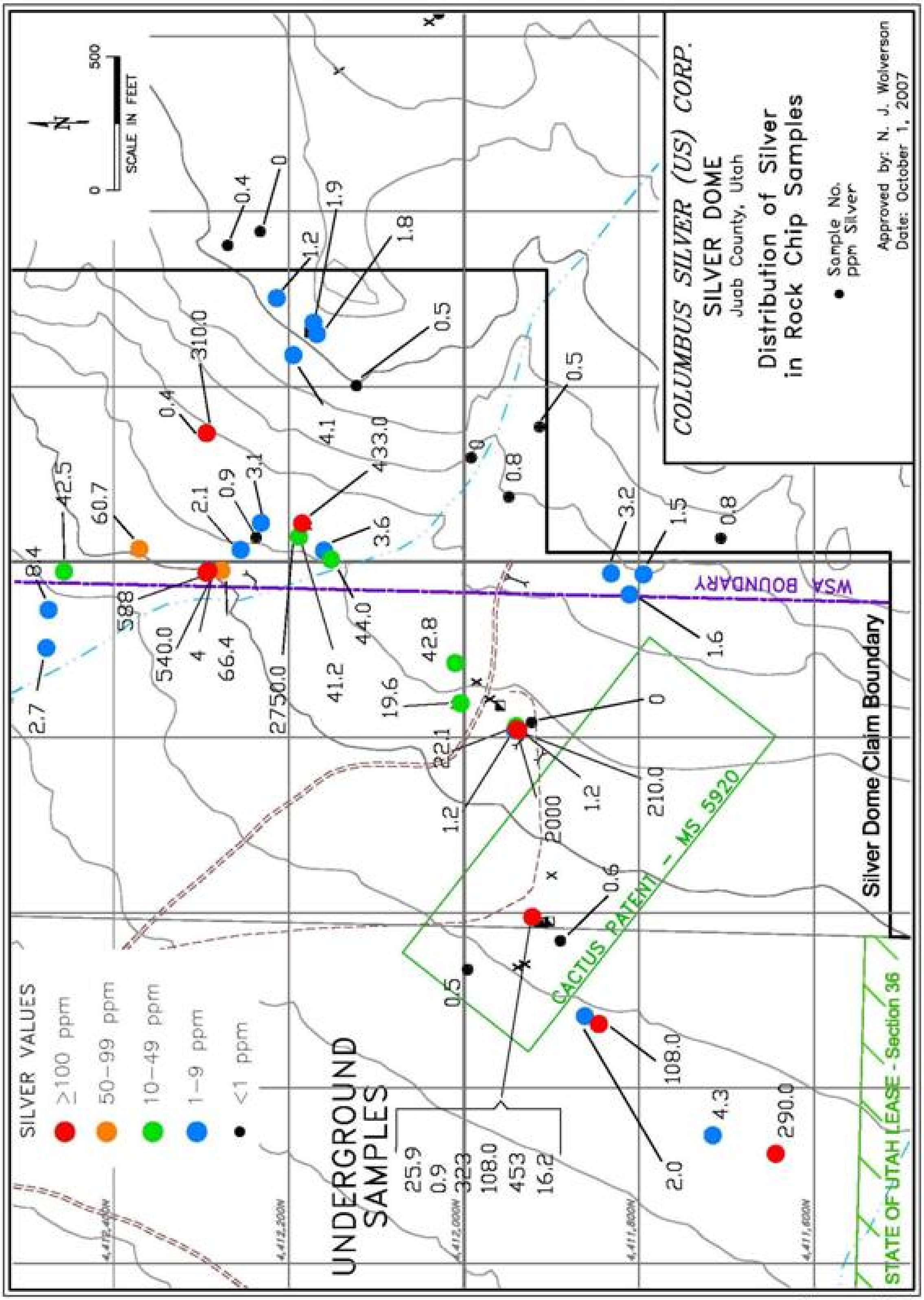
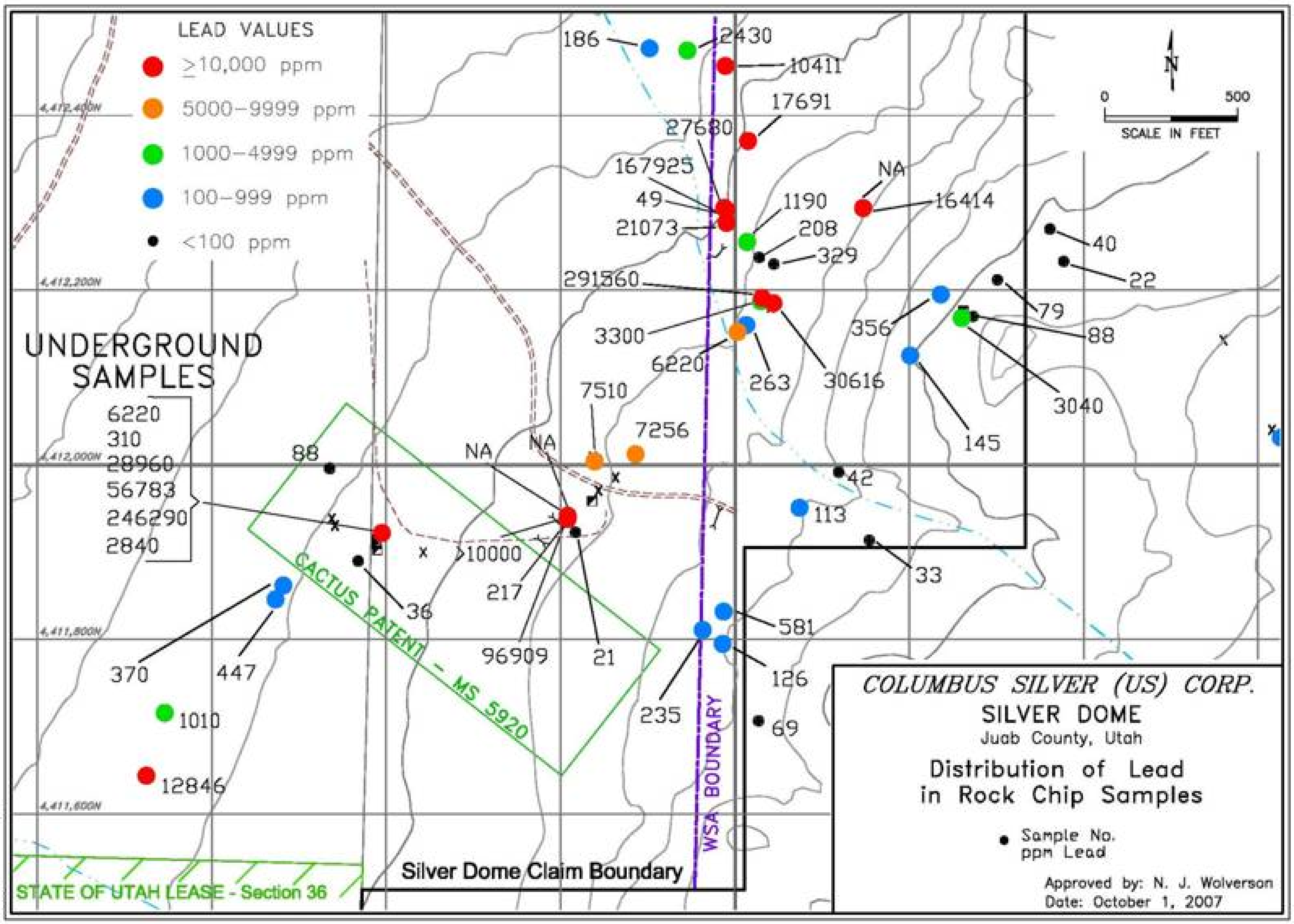
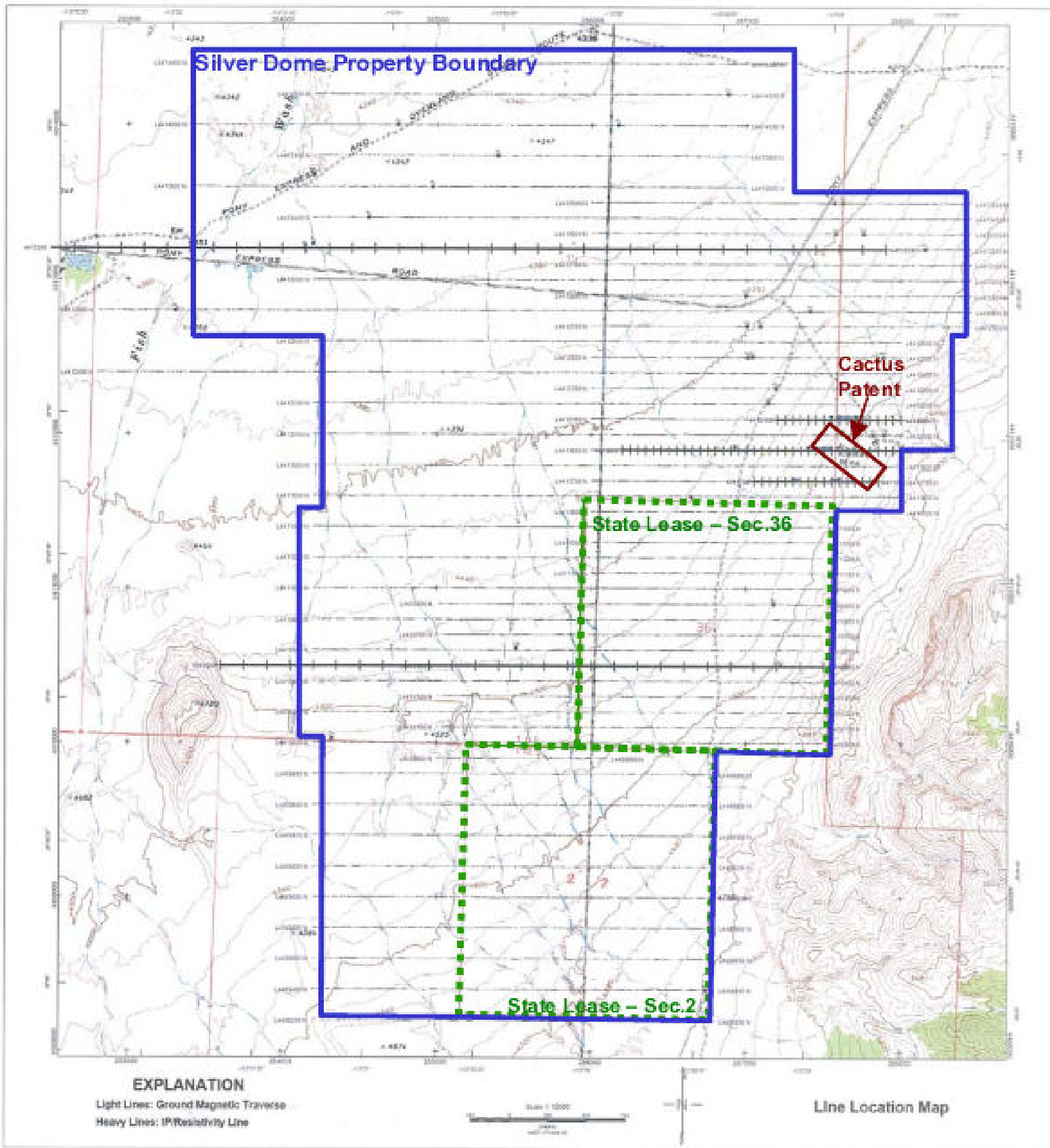

COLUMBUS SILVER (US) CORP.
SILVER DOME
Juab County, Utah
Distribution of Silver in Rock Chip Samples
Sample No. ppm Silver
Approved by: N. J. Wolverson
Date: October 1, 2007
SCALE IN FEET
0
500
N
SILVER VALUES
≥100 ppm
50–99 ppm
10–49 ppm
1–9 ppm
<1 ppm
UNDERGROUND SAMPLES
25.9
0.9
323
108.0
453
16.2
WSA BOUNDARY
Silver Dome Claim Boundary
CACTUS PATENT – MS 5920
STATE OF UTAH LEASE - Section 36
2.7
84
42.5
60.7
588
540.0
4
66.4
2.1
0.9
3.1
0.4
310.0
2750.0
41.2
433.0
3.6
44.0
4.1
1.2
1.9
1.8
0.4
0
0.5
0.5
0
0.8
3.2
1.5
0.8
1.6
42.8
19.6
22.1
0
1.2
2000
1.2
210.0
0.6
0.5
108.0
2.0
4.3
290.0

Figure 10.1



LEAD VALUES
≥10,000 ppm
5000–9999 ppm
1000–4999 ppm
100–999 ppm
<100 ppm
UNDERGROUND SAMPLES
6220
310
28960
56783
246290
2840
SCALE IN FEET
0
500
N
COLUMBUS SILVER (US) CORP.
SILVER DOME
Juab County, Utah
Distribution of Lead in Rock Chip Samples
Sample No. ppm Lead
Approved by: N. J. Wolverson
Date: October 1, 2007
CACTUS PATENT – MS 5920
WSA BOUNDARY
Silver Dome Claim Boundary
STATE OF UTAH LEASE - Section 36
4,412,400N
4,412,200N
4,412,000N
4,411,800N
4,411,600N
186
2430
10411
17691
27680
167925
49
21073
1190
208
329
NA
16414
40
22
79
88
356
3040
145
291560
3300
6220
263
30616
7510
7256
88
NA
NA
>10000
217
96909
21
36
42
113
33
581
126
235
69
370
447
1010
12846

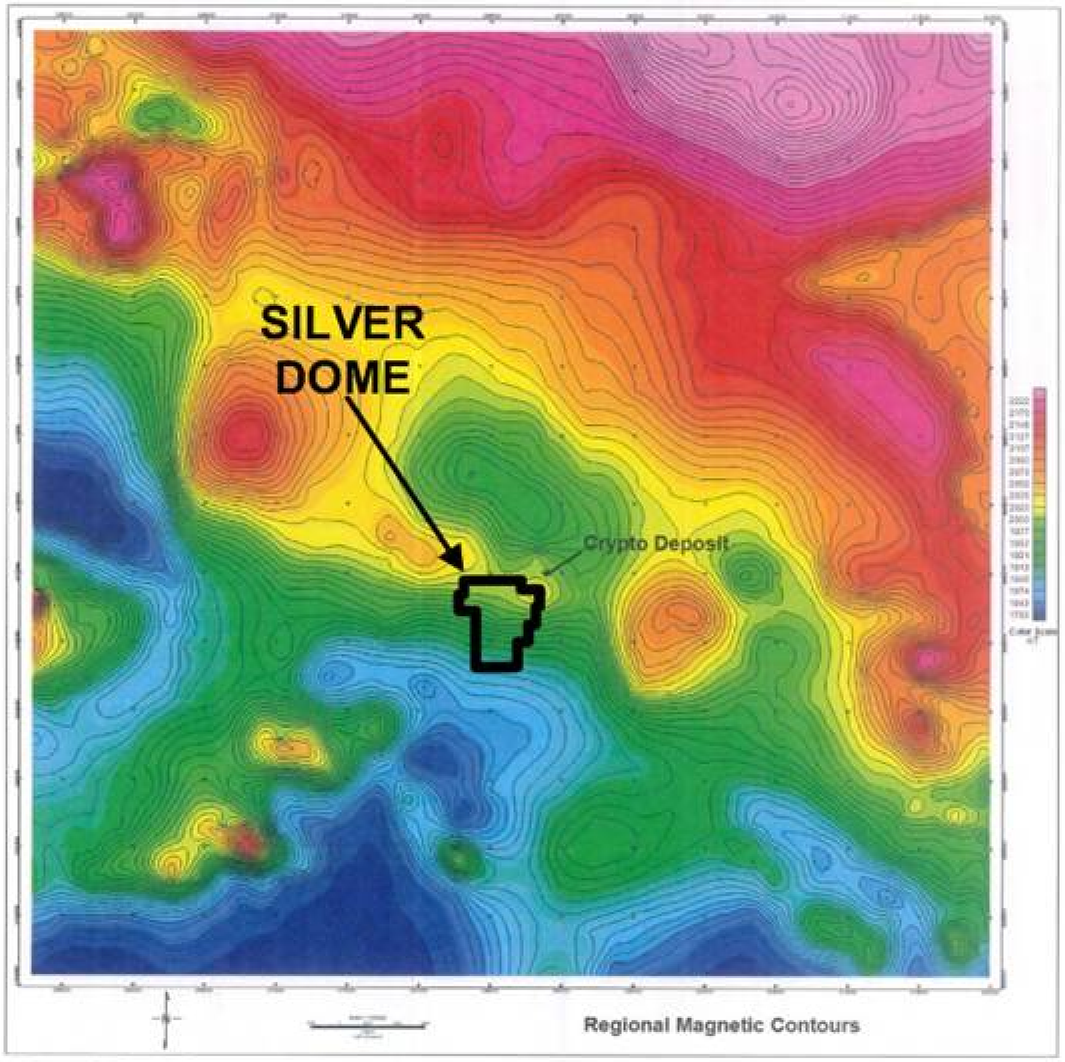
Figure 10.2



From Lide, 2007

COLUMBUS SILVER (US) CORP.
SILVER DOME
Juab County, Utah
Geophysical Survey Location
Approved by: N.J. Wolverson
Date: October 1, 2007

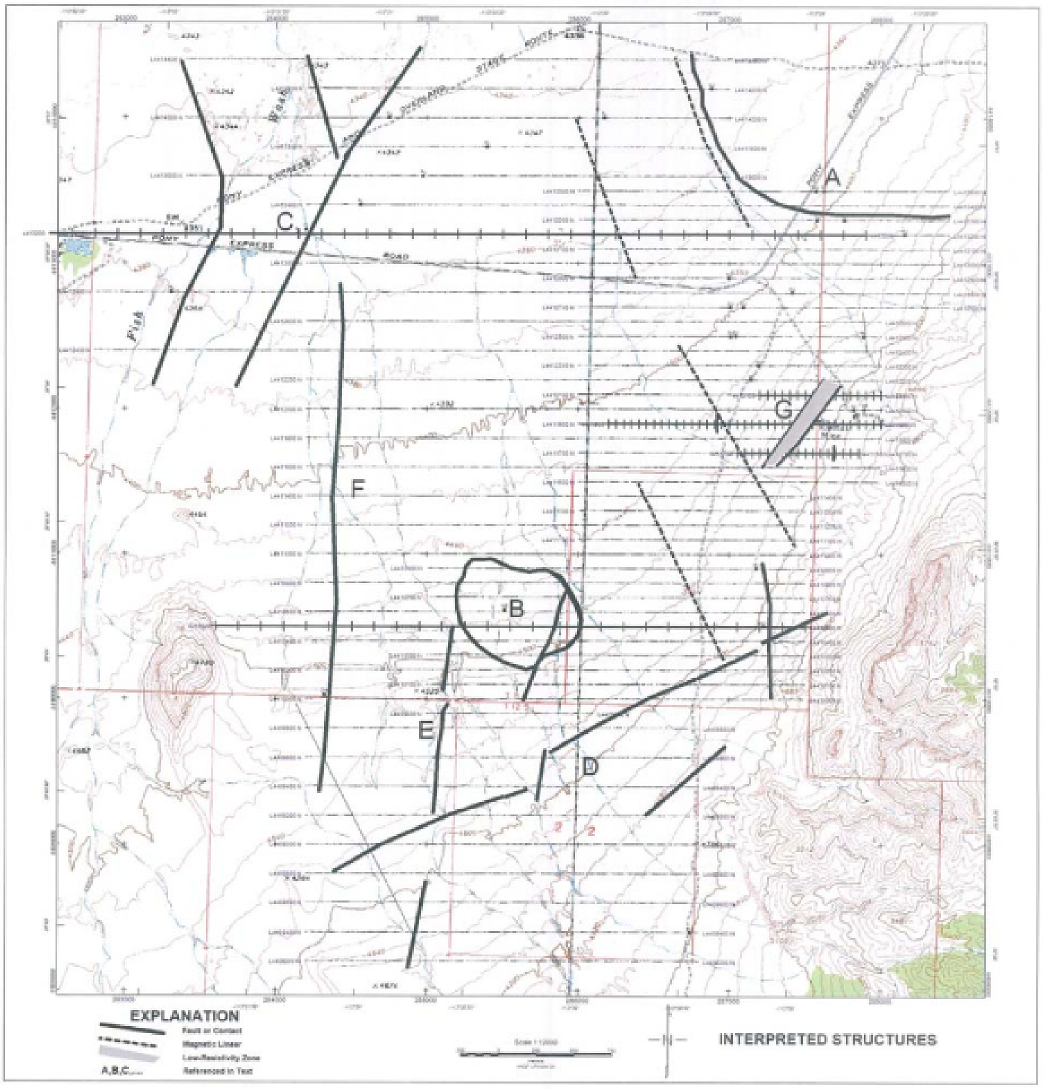
Figure 10.3



From Lide, 2007
Data from USGS OFR-0557

COLUMBUS SILVER (US) CORP.
SILVER DOME
Juab County, Utah
Regional Magnetic Survey
Approved by: N.J. Wolverson
Date: October 1, 2007

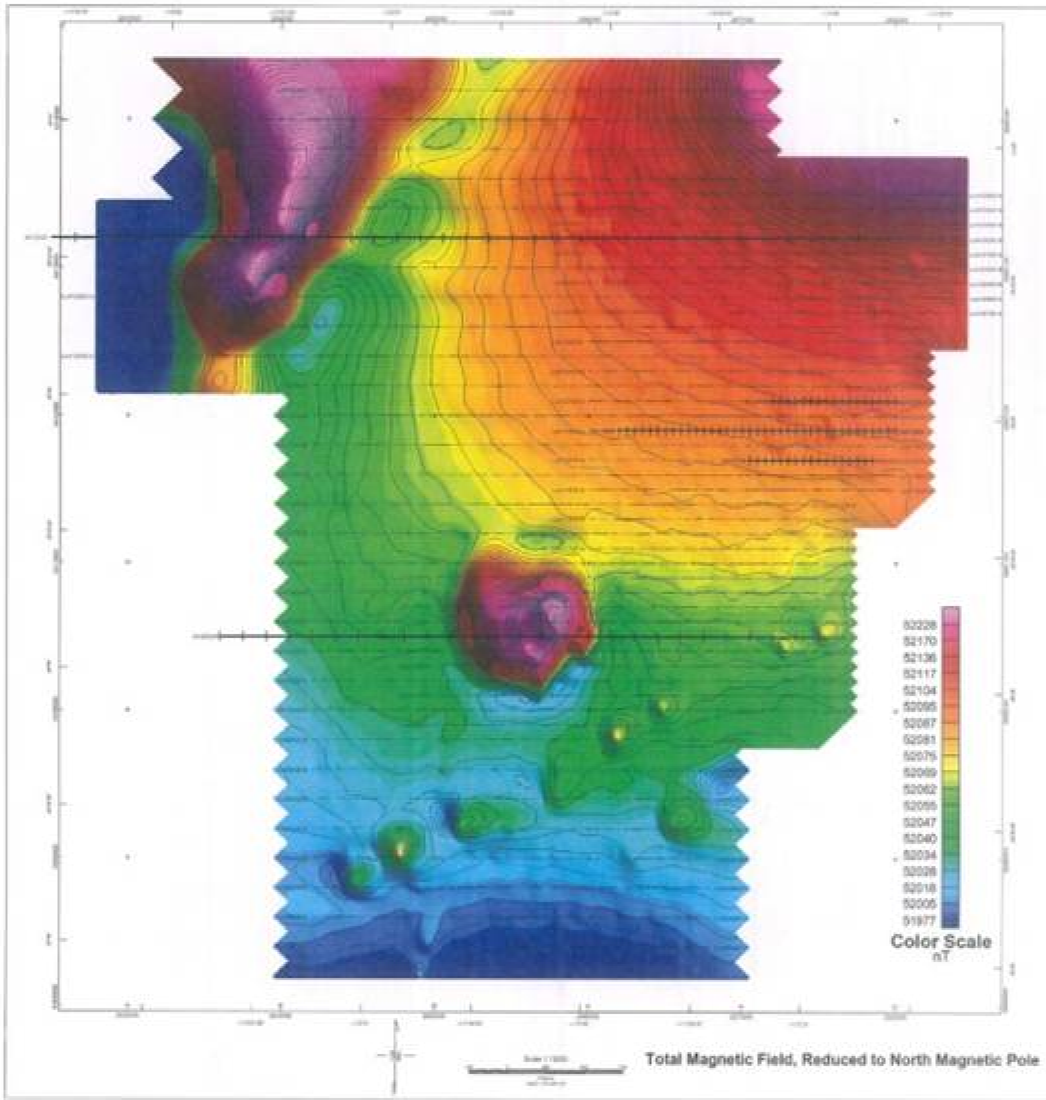
Figure 10.4



A-G described in text – (Section 10.2)
From Lide, 2007

COLUMBUS SILVER (US) CORP.
SILVER DOME
Juab County, Utah
Interpreted Features from Magnetic and IP/Resistivity Survey
Approved by: N.J. Wolverson
Date: October 1, 2007

Figure 10.5



From Lide, 2007

COLUMBUS SILVER (US) CORP.

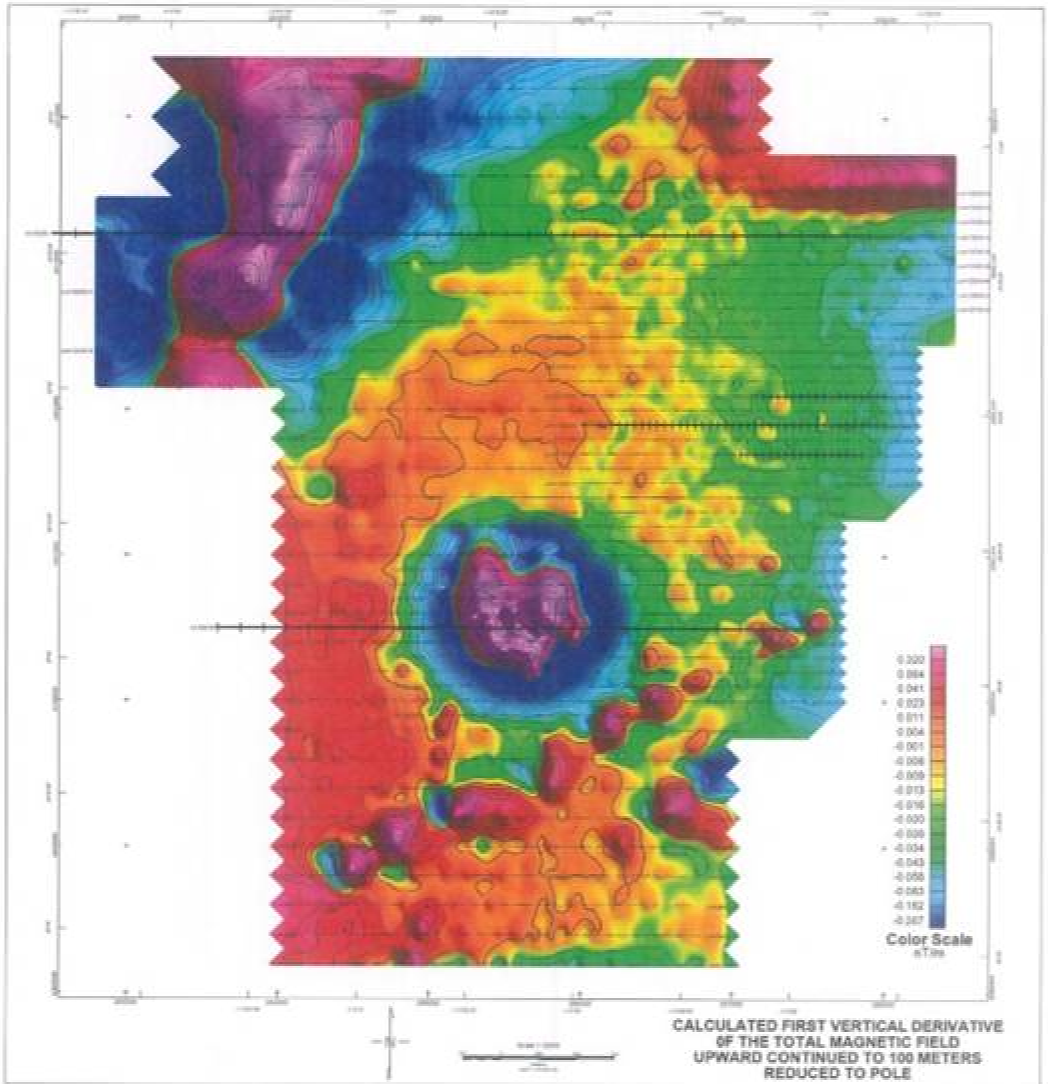
SILVER DOME

Juab County, Utah

Total Magnetic Field

Approved by: N.J. Wolverson
Date: October 1, 2007

Figure 10.6



From Lide, 2007

COLUMBUS SILVER (US) CORP.

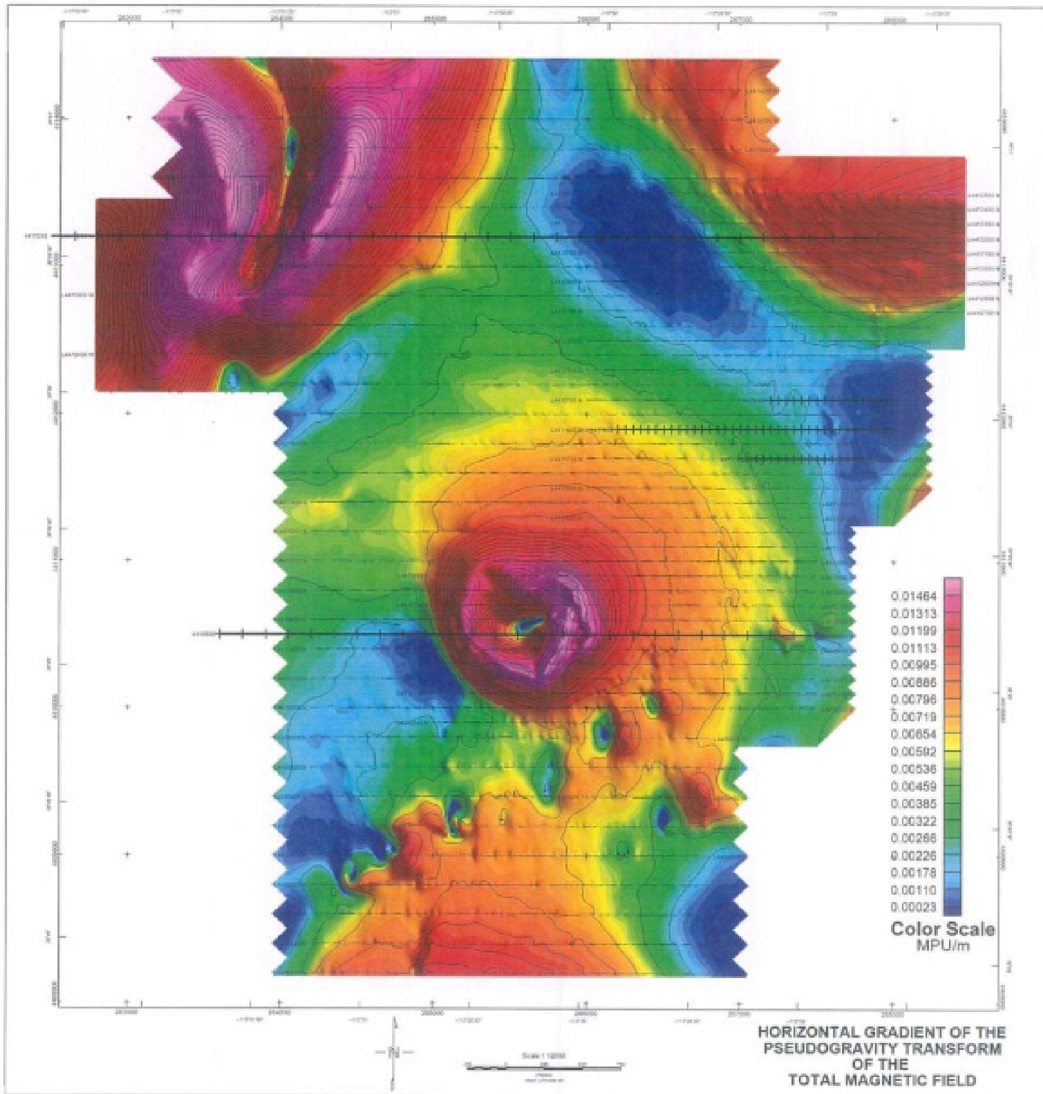
SILVER DOME

Juab County, Utah

First Derivative of Total Magnetic Field

Approved by: N.J. Wolverson
Date: October 1, 2007

Figure 10.7



From Lide, 2007

COLUMBUS SILVER (US) CORP.

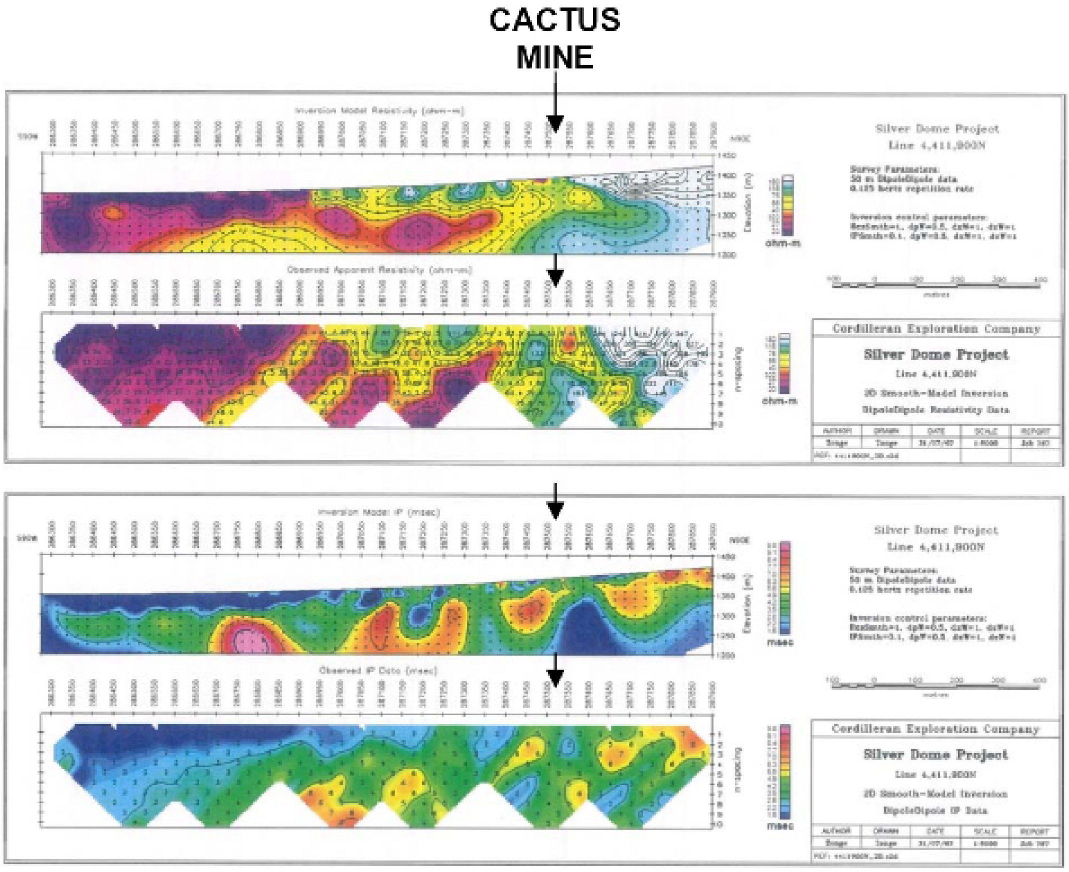
SILVER DOME

Juab County, Utah

Horizontal Gradient of Pseudogravity Transform of Total Magnetic Field

Approved by: N.J. Wolverson
Date: October 1, 2007

Figure 10.8



From Lide, 2007

COLUMBUS SILVER (US) CORP.

SILVER DOME

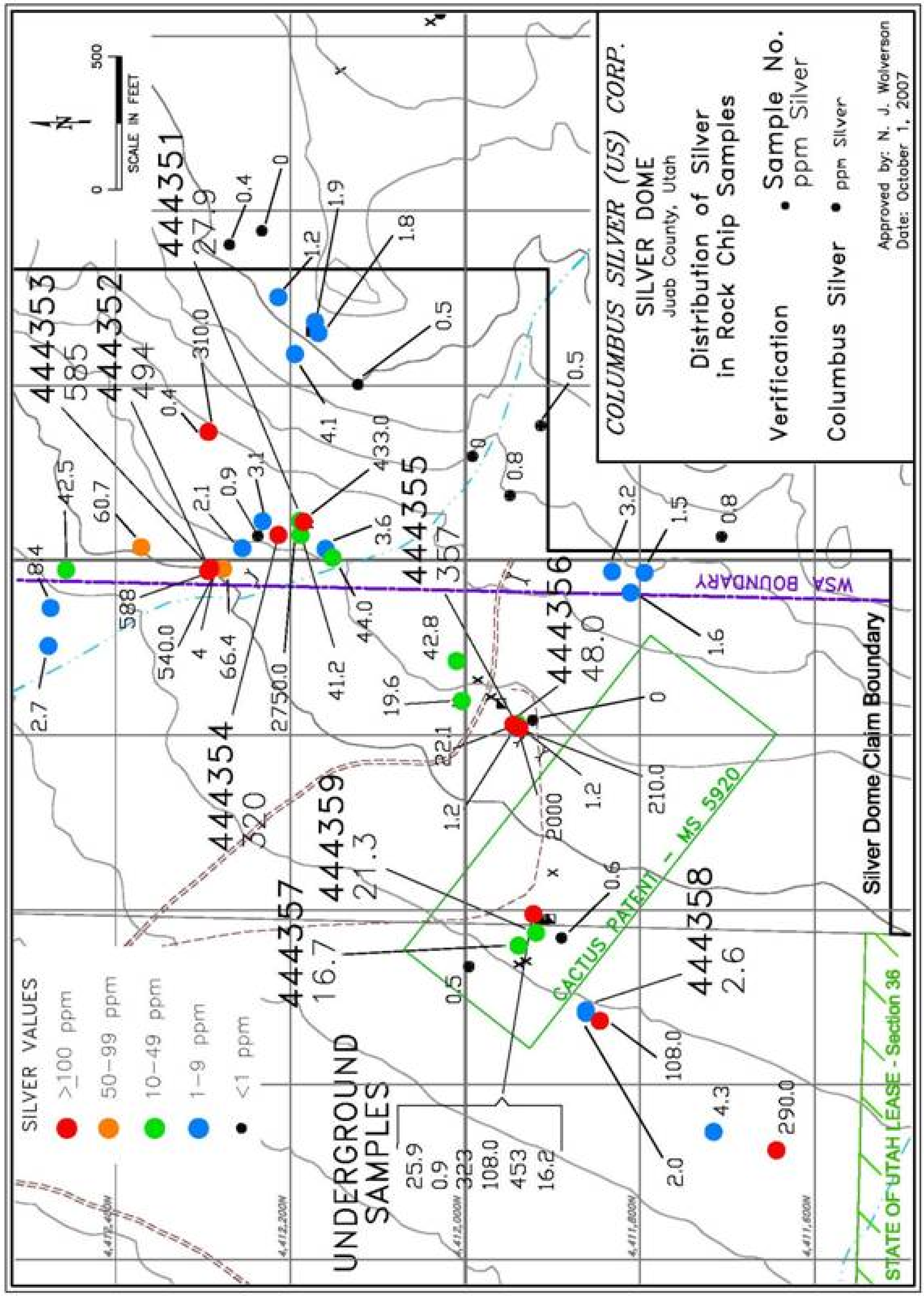
Juab County, Utah

2D Inversion of IP/Resistivity and Observed IP-Area of Historic Workings

Approved by: N.J. Wolverson

Date: October 1, 2007

Figure 10.9


COLUMBUS SILVER (US) CORP.
SILVER DOME
Juab County, Utah
Distribution of Silver
in Rock Chip Samples
Verification
Sample No.
ppm Silver
Columbus Silver
ppm Silver
Approved by: N. J. Wolverson
Date: October 1, 2007
SILVER VALUES
>100 ppm
50–99 ppm
10–49 ppm
1–9 ppm
<1 ppm
SCALE IN FEET
0
500
N
UNDERGROUND
SAMPLES
25.9
0.9
323
108.0
453
16.2
WSA BOUNDARY
Silver Dome Claim Boundary
CACTUS PATENT – MS 5920
STATE OF UTAH LEASE - Section 36
444351
27.9
444352
494
444353
585
444354
320
444355
357
444356
48.0
444357
16.7
444358
2.6
444359
21.3
Figure 14.1

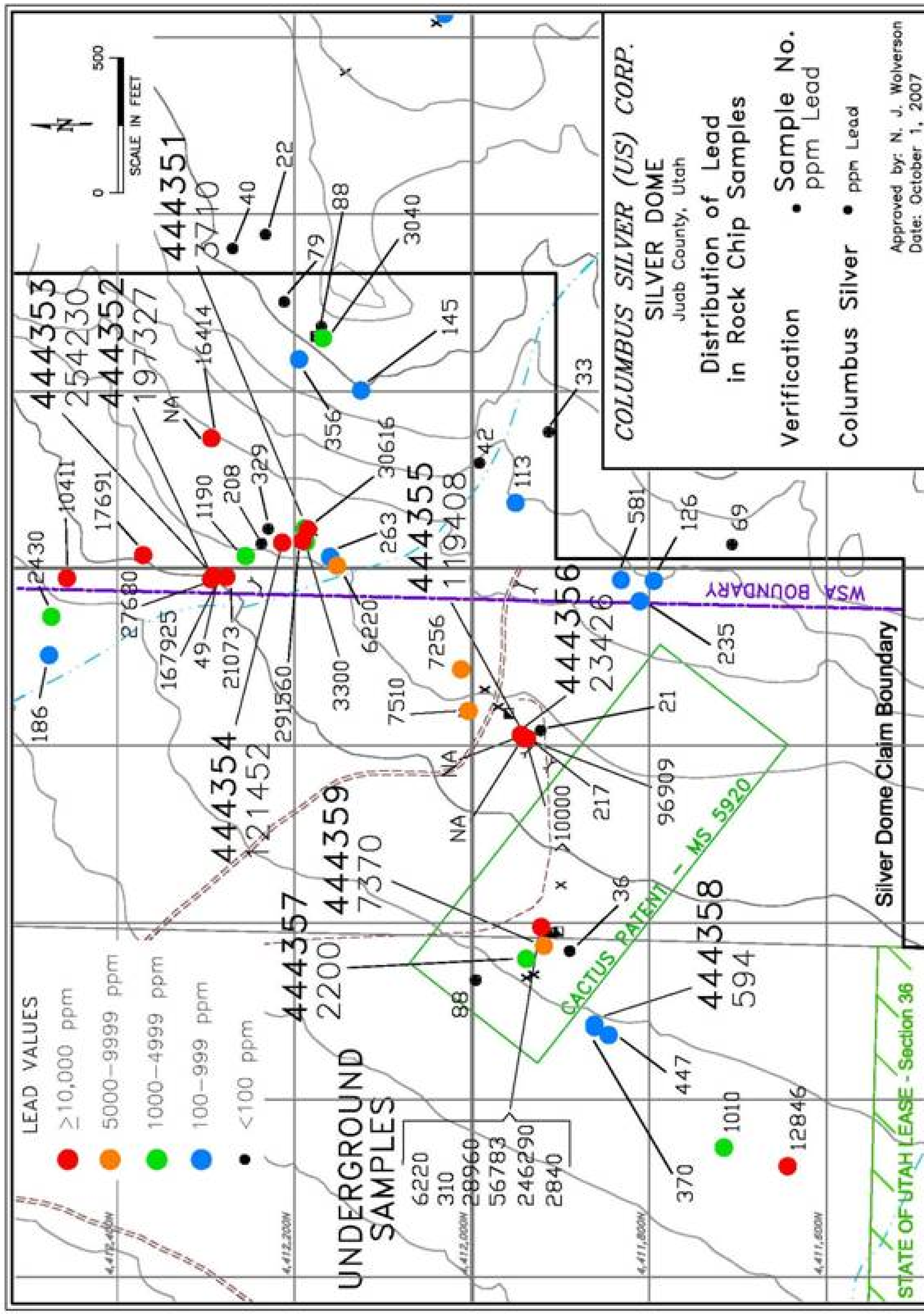

COLUMBUS SILVER (US) CORP.
SILVER DOME
Juab County, Utah
Distribution of Lead in Rock Chip Samples
Verification • Sample No. ppm Lead
Columbus Silver • ppm Lead
Approved by: N. J. Wolverson
Date: October 1, 2007
LEAD VALUES
≥10,000 ppm
5000–9999 ppm
1000–4999 ppm
100–999 ppm
<100 ppm
UNDERGROUND SAMPLES
6220
310
28960
56783
246290
2840
SCALE IN FEET
0
500
N
Silver Dome Claim Boundary
WSA BOUNDARY
CACTUS PATENT – MS 5920
STATE OF UTAH LEASE - Section 36

Figure 14.2

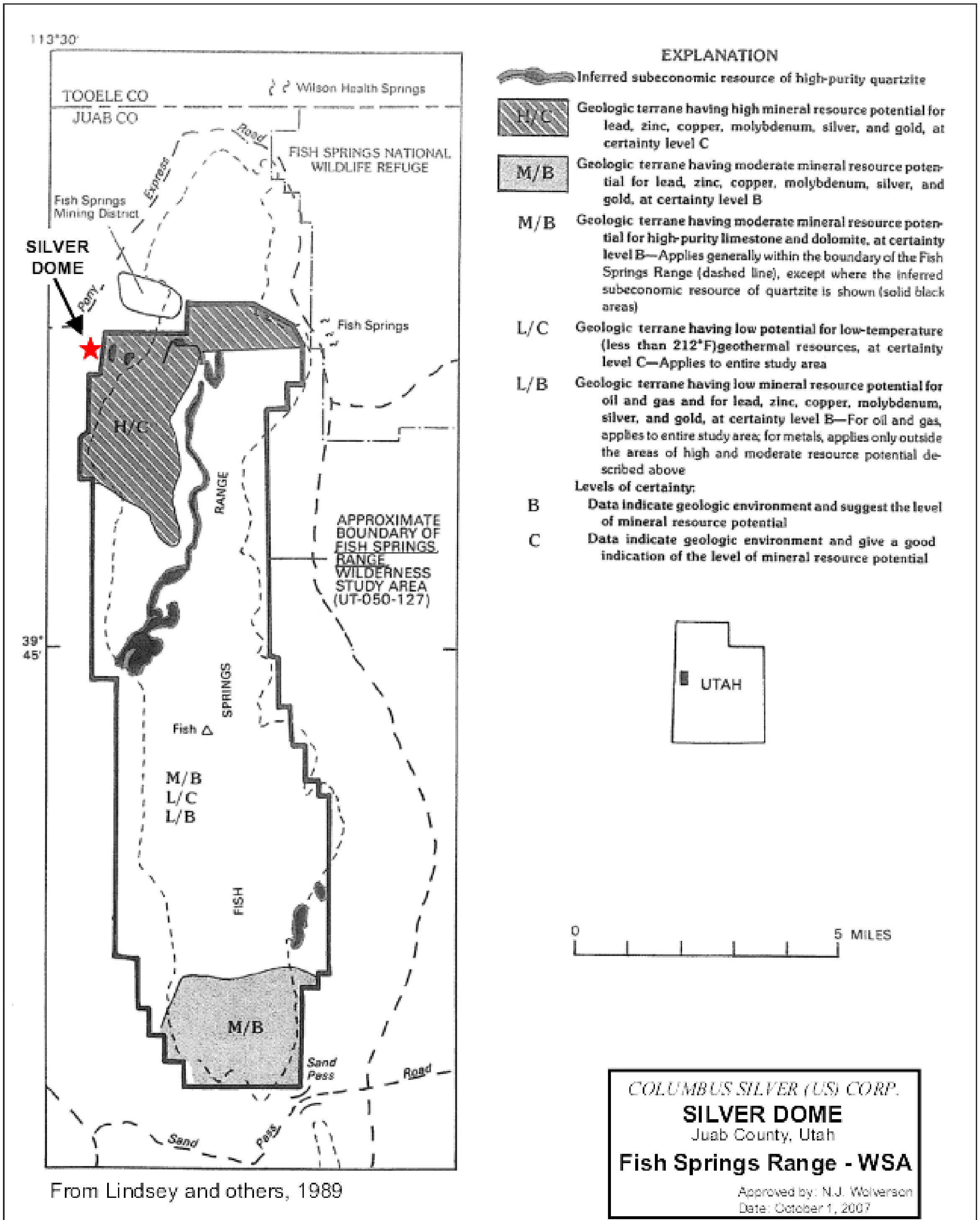
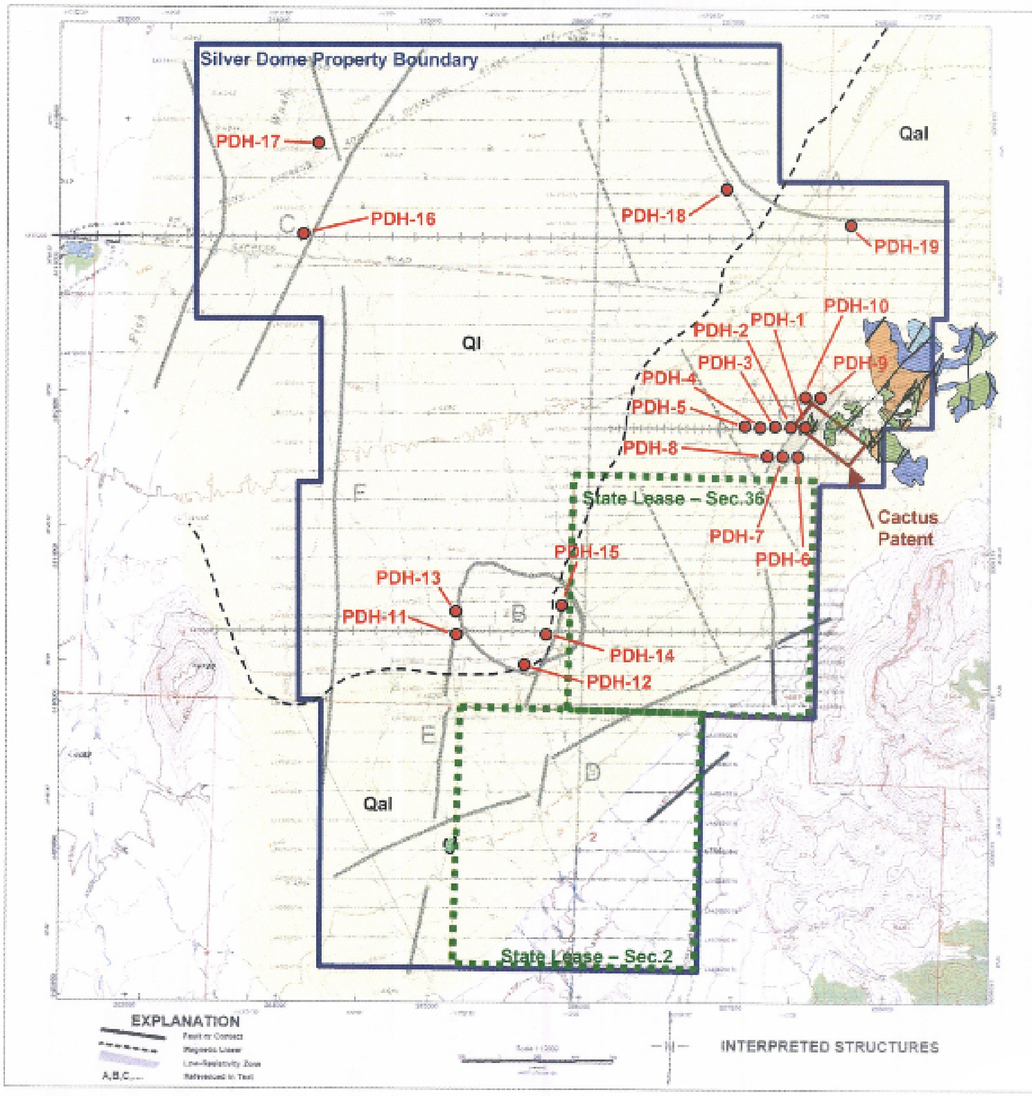

113°30'
TOOELE CO
JUAB CO
Wilson Health Springs
FISH SPRINGS NATIONAL WILDLIFE REFUGE
Express Road
Fish Springs Mining District
SILVER DOME
Fish Springs
H/C
RANGE
APPROXIMATE BOUNDARY OF FISH SPRINGS RANGE WILDERNESS STUDY AREA (UT-050-127)
39° 45'
SPRINGS
Fish
M/B
L/C
L/B
FISH
M/B
Sand Pass
Road
Sand Pass
EXPLANATION
Inferred subeconomic resource of high-purity quartzite
H/C Geologic terrane having high mineral resource potential for lead, zinc, copper, molybdenum, silver, and gold, at certainty level C
M/B Geologic terrane having moderate mineral resource potential for lead, zinc, copper, molybdenum, silver, and gold, at certainty level B
M/B Geologic terrane having moderate mineral resource potential for high-purity limestone and dolomite, at certainty level B—Applies generally within the boundary of the Fish Springs Range (dashed line), except where the inferred subeconomic resource of quartzite is shown (solid black areas)
L/C Geologic terrane having low potential for low-temperature (less than 212°F)geothermal resources, at certainty level C—Applies to entire study area
L/B Geologic terrane having low mineral resource potential for oil and gas and for lead, zinc, copper, molybdenum, silver, and gold, at certainty level B—For oil and gas, applies to entire study area; for metals, applies only outside the areas of high and moderate resource potential described above
Levels of certainty:
B Data indicate geologic environment and suggest the level of mineral resource potential
C Data indicate geologic environment and give a good indication of the level of mineral resource potential
UTAH
0
5 MILES
From Lindsey and others, 1989
COLUMBUS SILVER (US) CORP.
SILVER DOME
Juab County, Utah
Fish Springs Range - WSA
Approved by: N.J. Wolverson
Date: October 1, 2007

Figure 18.1



For geology explanation see Figure 7.5
For geophysical explanation see Figure 10.5

PDH-1 **Proposed Drill Site**

COLUMBUS SILVER (US) CORP.
SILVER DOME
Juab County, Utah
Recommended Work Program
Approved by: N.J. Wolverson
Date: October 1, 2007

Figure 20.1

PRICEWATERHOUSECOOPERS

PricewaterhouseCoopers LLP
Chartered Accountants
PricewaterhouseCoopers Place
250 Howe Street, Suite 700
Vancouver, British Columbia
Canada V6C 3S7
Telephone +1 604 806 7000
Facsimile +1 604 806 7806

Auditors' consent

We have read the Amended and Restated Prospectus of Columbus Silver Corporation dated August 22, 2008 relating to the proposed initial offering of the Corporation and offering of units. We have complied with Canadian generally accepted standards for an auditor's involvement with offering documents.

We consent to the use, in the above mentioned Prospectus, of our report to the Directors of the Corporation on the consolidated balance sheet of the corporation as at September 30, 2007, the consolidated statements of loss, comprehensive loss and deficit and consolidated statement of cash flows for the period from May 18, 2007 (date of incorporation) to September 30, 2007. Our report is dated February 04, 2008.

Signed *PricewaterhouseCoopers LLP*

Chartered Accountants

Vancouver B.C., Canada
August 22, 2008

CERTIFICATE OF THE CORPORATION

Dated: August 22, 2008

The foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by this Amended and Restated Prospectus as required by the securities legislation of each of the Provinces of British Columbia, Alberta, Saskatchewan and Ontario.

"Signed"	*"Signed"*
Robert Giustra	Sean McGrath
President and Chief Executive Officer	Chief Financial Officer

ON BEHALF OF THE BOARD OF DIRECTORS

"Signed"	*"Signed"*
Donald Gustafson	Kenneth Judge
Director	Director

PROMOTER

COLUMBUS GOLD CORPORATION

Per:

"Signed"
Robert Giustra
President and Chief Executive Officer

CERTIFICATE OF THE AGENT

Dated: August 22, 2008

To the best of our knowledge, information and belief, the foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by this Amended and Restated Prospectus as required by the securities legislation of each of the Provinces of British Columbia, Alberta, Saskatchewan and Ontario.

UNION SECURITIES LTD.

Per:

"Signed"
Jovan Stupar
Managing Director