COLIBRI RESOURCE CORPORATION

Form 51-102F1

Management's Discussion & Analysis
for the Quarter Ended February 28, 2011

The following Management Discussion and Analysis ("MD&A") for Colibri Resource Corporation ("the Company") prepared as of April 21, 2011 should be read together with the audited consolidated financial statements for the year ended November 30, 2010 and related notes attached thereto, which are prepared in accordance with Canadian generally accepted accounting principles. All figures are in Canadian dollars unless otherwise noted.

This MD&A contains forward-looking information. Please see "Forward-Looking Information" and "Risks and Uncertainties" for a discussion of the risks, uncertainties and assumptions relating to such information.

FORWARD-LOOKING INFORMATION

Forward-looking information is included in this MD&A, which involves known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking information. Forward-looking information is identified by the use of terms and phrases such as "anticipate", "believe", "could", "estimate", "expect", "intend", "may", "plan", "predict", "project", "will", "would", and similar terms and phrases, including references to assumptions. Such information may involve but are not limited to comments with respect to strategies, expectations, planned operations or future actions.

Forward-looking information reflects current expectations of management regarding future events and operating performance as of the date of this MD&A. Such information involves significant risks and uncertainties, should not be read as guarantees of future performance or results, and will not necessarily be accurate indications of whether or not such results will be achieved. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking information, including, but not limited to, the following factors: financial health of the Company's subsidiary and the related cash flows, competitive and economic environment, seasonality and fluctuations in results, expansion, interest rates, foreign exchange, cash distributions are not guaranteed and will fluctuate with the performance of its subsidiary, and federal income tax changes in Mexico and Canada.

Although the forward-looking information contained in this MD&A is based upon what the Company's management believes to be reasonable assumptions, the Company cannot assure investors that actual results will be consistent with such information. Forward-looking information reflects management's current beliefs and is based on information currently available to the Company. Such information reflects current assumptions regarding future events and operating performance including, without limitation, a strong economy in Canada, stable interest rates and continued strength in the mining exploration industry in which the Company operates, and speaks only as of the date of this discussion. The forward-looking information is made as of the date of this MD&A and the Company assumes no obligation to update or revise such information to reflect new events or circumstances.

General

The Company was incorporated on February 20, 2004 in the province of British Columbia. On August 5, 2005, the Company's common shares and purchase warrants began trading on the TSX Venture Exchange under the symbols CBI and CBI.WT respectively.

Through its Subsidiary, Minera Halcones S.A. de C.V., the Company is engaged in the acquisition, exploration, and if warranted, development of gold, silver, copper, molybdenum and other metal deposits in Mexico. Halcones has the right to acquire a majority interest in three large mineral properties located in Sonora, Mexico. Sonora is the northernmost state in Mexico and borders the United States of America. All of the Company's property interests are located within or adjacent to, a free trade zone within the State, a fact that facilitates cross-border access and general business. The properties are characterized by ease of accessibility, well developed infrastructure, access to a ready and skilled labour pool and a large degree of common logistics due to their relative proximity to each other.

The Company's mineral property interests are the Colibri Property, the Leon Property, the Ramaje Ardiente (Ramard) Property and the Evelyn III Property. These properties are in the exploration stage only and are without a known body of commercial ore.

Additional information related to the Company is available for view on the Company's website at www.colibriresourcecorp.com and on SEDAR at http://www.sedar.com.

Overall Performance

Management has continued to make progress on important business issues for the Company. During the prior year, the Board of Directors authorized the execution and completion of the three claim option agreements between Colibri's Mexican subsidiary, Minera Halcones, and the three private Mexican companies from which those claims were optioned. All cash payments and share issuances required to finalize these agreements have been met, and the legal process to transfer title of these three claim sites known as "Colibri", "Ramard" and "Leon" to Minera Halcones has been completed.

On February 3, 2011, the Company issued 200,000 shares for a value of $32,000 pursuant to a mineral option agreement on the Ramaje Ardiente Property.

Annual Information

The following table provides a brief summary of the Company's financial operations. For more detailed information, refer to the Financial Statements.

	For The Quarter Ended February 28, 2011	For The Quarter Ended February 28, 2010
Total revenues	$ 872	$ 676
Net income (loss) before extraordinary items	(54,369)	(87,444)
Net income (loss) and comprehensive income	(54,369)	(87,444)
Basic and diluted earnings (loss) per share	(0.01)	(0.01)
Total assets	6,195,892	6,392,956
Total long-term liabilities	-	-
Cash dividends	-	-

The Company earns interest revenue from cash and term deposits held in banks. It has no intention of paying dividends on its common shares as it anticipates that all available funds will be invested to finance the growth of its business.

Results of Operations

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may be different from those estimates. Additional significant accounting policies are detailed in Note 2 attached to the financial statements.

For The Quarter Ended February 28, 2011

Operations in the period from December 1, 2010 to February 28, 2011 were focused on maintaining the Company's interests in its properties in Sonora, Mexico, as well as pursuing two separate equity financing options. One was the negotiating of an Earn-In Shareholders Agreement with Agnico-Eagle Mines Ltd. relating to the Company's Colibri property, and the other was finalizing a non-brokered private placement. The Company has not generated any revenues from operations for the period.

The net loss for the three month period ended February 28, 2011 was $54,369, which was a loss of $0.01 per share on both a basic and a fully diluted basis. This loss was primarily attributed to general and administrative expenses of $55,241. Major components of the loss were management fees of $22,500, consulting fees of $8,731 and accounting and audit fees of $5,774.

For The Quarter Ended February 28, 2010

Operations in the period from December 1, 2009 to February 28, 2010 were focused on maintaining the Company's interests in the properties for which it has entered into option agreements, as well as the construction of access roads and the continuation of exploratory drilling programs on the Colibri and Leon properties. The Company has not generated any revenues from operations for the period.

The net loss for the three month period ended February 28, 2010 was $87,444, which was a loss of $0.01 per share on both a basic and a fully diluted basis. This loss was primarily attributed to general and administrative expenses of $88,119. Major components of the loss were stock-based compensation of $30,586, management fees of $22,500 and travel and related costs of $7,291.

Summary of Quarterly Results

The following table sets forth selected unaudited quarterly financial information for each of the last eight most recently completed quarters:

	Three Months Ended							
	February 28, 2011	November 30, 2010	August 31, 2010	May 31, 2010	February 28, 2010	November 30, 2009	August 31, 2009	May 31, 2009
Total assets	6,195,892	$6,174,818	$6,233,475	$6,342,884	6,392,956	6,375,931	6,458,498	6,815,398
Mineral property costs	5,739,968	5,670,460	5,596,382	5,564,335	5,428,817	5,340,590	5,253,653	5,459,275
Working capital	286,184	376,659	527,419	601,768	797,677	940,794	1,136,130	1,291,363
Shareholders' equity	6,044,479	6,066,848	6,145,493	6,189,766	6,252,127	6,308,989	6,419,960	6,783,388
Revenues	872	980	796	599	676	873	867	1,016
Net income (loss)	(54,369	(78,645)	(44,273)	(62,362)	(87,444)	(110,971)	(372,428)	(53,216)
Earnings (loss) per share	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)

Liquidity

The Company has no history of profitable operations and its mineral projects are at an early stage. Therefore, it is subject to many risks common to comparable junior venture resource companies, including under-capitalization, cash shortages and limitations with respect to personnel, financial and other resources as well as a lack of revenues.

The Company's ability to continue as a going concern in the short term is dependent upon its ability to obtain financing. The Company has obtained financing by the issuance of share capital. Although the Company has been successful in the past in obtaining financing, there can be no assurance that it will be able to obtain adequate financing in the future or that the terms of such financing will be favourable.

	February 28, 2011	February 28, 2010
Working capital	$ 286,184	$ 797,677
Deficit	(2,364,453)	(2,124,804)

Net cash provided by (used in) operating activities during the period was $(512) compared to $23,514 during the previous period. The net cash used in operating activities primarily consists of the operating loss and a change in non-cash working capital.

Financing activities provided net cash of $NIL during the current period and $NIL during the previous period.

Net cash used in investing activities was $37,508 during the current period and $88,227 in the previous period. Cash was expended on the acquisition and maintenance of mineral claims and exploration work conducted on the claims in Mexico.

Capital Resources

The Company's sources of funds have been derived from private placement financings and the completion of the Company's IPO. The Company closed its IPO on July 28, 2005, pursuant to which it received gross proceeds of $2,500,000 from the sale of 10,000,000 units (the "Units") with each Unit consisting of one common share in the capital of the Company (a "Share") and one transferable common share purchase warrant (a "Warrant"). Two whole warrants entitled the holder thereof to acquire one additional common share of the Company (a "Warrant Share") until July 28, 2007 at an exercise price of $0.30 per Warrant Share. During the three month period ended August 31, 2007, 7,729,950 of these warrants were exercised.

Also on April 19, 2007, the Company closed a brokered, private placement of 7,013,000 Units at a price of $0.40 per Unit for gross proceeds of $2,805,200. Each Unit consists of one common share and one full, non-transferable share purchase warrant. Each warrant will entitle the holder to purchase an additional common share of the Company at a price of $0.70 per share until April 20, 2008. The Units were subject to a hold period that expired August 20, 2007.

Bolder Investment Partners Ltd. acted as agent in respect of the placement. Bolder was paid a cash commission of $162,933 and 118,643 Units or 7.5 % of the total gross proceeds and was issued broker's warrants authorizing the purchase of up to 701,300 common shares at $0.70 per share until April 20, 2008 on the same terms as the warrants issued as part of the Units under the private placement.

The proceeds of the private placement are being used primarily for exploration and drilling on the Company's Sonora, Mexico claim properties, as well as for general working capital.

During 2007, the Company also received gross proceeds of $1,787,851 from the exercise of share purchase warrants, and another $15,000 from the exercise of stock options.

On February 28, 2011, the Company signed a final Earn-In and Shareholders Agreement with Agnico-Eagle Mines Ltd. (AEM) regarding the Company's Colibri property. Pursuant to the Agreement, AEM may acquire up to a 75% interest in the Company's Colibri gold project in Sonora, Mexico (the "Colibri Project") and form a joint venture with the Company by making qualified exploration expenditures and payments to Colibri. To earn a 75% interest in the Colibri Project, AEM is required to spend, over the next three years, a minimum of US$3.0 million in exploration expenditures as well as complete a positive feasibility study within five years. In addition, AEM will be required to make option payments totaling $1,452,000 over a seven year period. After completion of the feasibility study and earning a 75% interest in the Colibri Project, AEM and Colibri may form a joint venture to develop the Colibri Project. AEM will also make an equity investment in Colibri by purchasing 3 million shares at $0.20 per share and will receive 3 million full share purchase warrants that can be exercised at any time during the next 24 months at $0.35 per warrant.

Also, on March 4, 2011, Colibri announced a non-brokered private placement for gross proceeds of $2,400,000 (the “private Placement”). This non-brokered private placement was completed on April 7, 2011, and is comprised of an aggregate of 12,000,000 units at a price of $0.20 per unit. Each unit consists of one common share of the Company and one share purchase warrant, providing the holder with the right to purchase one additional Colibri common share for $0.35 per share for a period of 24 months from the closing of the Private Placement. The warrants are subject to an early acceleration provision which provides for the mandatory exercise or expiry of the warrants in the event Colibri’s shares close at $0.60 or higher for a period of 20 consecutive trading days. The proceeds from the private placement will be used for general working capital for the Company’s operations in Sonora, Mexico including the previously announced 2000 meter drill program at the Ramard silver project near the municipality of Carbo, Sonora.

Additional disclosure concerning the Company’s general and administrative expenses and resource property obligations and commitments are provided in the Company’s consolidated statements of operations and deficit and notes therein. The Company does not have any commitments for specific capital expenditures, as the agreements under which it may earn the interests in the mineral exploration properties are option agreements. However, the Company anticipates incurring the following expenditures from its available funds over the next fiscal year:

Description:			
(1)	To make property option payments and mineral property tax estimated payments on the Colibri, Leon, Ramard and Evelyn III properties	$	50,000
(2)	(a) Colibri Property (see Subsequent Events Note).	$	NIL
	(b) To conduct continuing exploration and drilling on the Ramard Property.	$	1,000,000
	(c) To conduct continuing exploration and drilling on the Leon Property.	$	200,000
	(d) To conduct site mapping and initial exploration work on the Evelyn Property	$	100,000
(3)	To cover estimated general and administrative expenses for a 12-month period	$	300,000
(4)	To provide general working capital	$	50,000

Off-Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that is material to investors.

Transactions with Related Parties

During the period from December 1, 2010 to February 28, 2011, the Company entered into the following transactions with related parties:

a) Paid or accrued management fees of $22,500 (2010 - $22,500) to companies controlled by directors of the Company.

b) Paid or accrued office rent of $2,250 (2010 - $2,250) to a company controlled by a director of the Company.

c) Paid or accrued $19,900 (2010 - $15,410) in geological consulting fees, of which $19,900 (2010 - $13,541) are included in deferred exploration costs, to a company controlled by a former director of the Company.

d) Paid or accrued $8,088 (2010 - $8,259) in geological consulting fees and mapping and production, of which $6,600 (2010 - $6,641) are included in deferred exploration costs, to a director of the Company.

e) As outlined in Note 6, Ramaje Ardient Prpoerty, the Company issued 200,000 shares (2010 - NIL) for a value of $32,000 to a private Mexican company controlled by a former director of the Company.

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

Risk and Uncertainties

The Company holds certain mineral property interests in Mexico, and as such is exposed to numerous risks and uncertainties common to other junior exploration companies.

The Company's business, results of operations, financial condition, and the trading price of its common shares could be materially adversely affected by any of the foregoing risks and by other risks, including risks related to development of mineral deposits, metal prices, title matters, reclamation costs, metal price volatility, competition, additional funding requirements, insurance, currency fluctuations, conflicts of interest, and share trading volatility. Any of these risks could have a material adverse effect on the business, operations or financial condition of the Company.

The Company and its mineral exploration programs are at an early stage. The Company is not profitable and has no sources of revenue. The Company is reliant on raising equity and while this has been successful in the past, there is no assurance that it will be able to do so in the future.

The mineral claims that the Company has a right to acquire an interest in are in the exploration stage only. There is no assurance that the exploration activities of the Company will result in the discovery of a commercially viable mineral deposit.

Mineral exploration activities could result in injury and damage to life and property, possible adverse environmental impacts and possible legal liability.

The Company's financial results are denominated and reported in Canadian dollars. The Mexican operations involve payments in US dollars and Mexican pesos. Significant fluctuations of these currencies against the Canadian dollar could have a material effect on the Company's financial performance.

Internal Controls

There has been no change in the Company's internal control over financial reporting that occurred during the Company's most recent fiscal year that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

Critical Accounting Policies/Critical Accounting Estimates

Use of Estimates

The preparation of consolidated financial statements in accordance 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 consolidated financial statements and the reported amount of revenues and expenses during the year. Actual results could differ from these estimates. Significant areas requiring the use of management estimates relate to the determination of asset retirement obligations, environmental obligations, impairment of mineral properties, the assumptions used in the determination of the fair value of stock-based compensation and warrants, rates for amortization, accrued liabilities, and the determination of a valuation allowance for future income tax assets.

Stock-based compensation

The fair value of stock options granted is determined using the Black-Scholes option pricing model and recorded as stock-based compensation expense over the vesting period of the stock options, with a corresponding increase to contributed surplus. When stock options are exercised the corresponding fair value is transferred from contributed surplus to capital stock. In the event that unvested options are cancelled, previously recognized compensation expense associated with such options is reversed.

Long-lived assets

Long-lived assets consist of equipment and mineral properties. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

The Company performs impairment testing on long-lived assets held for use wherever events or changes in circumstances indicate that the carrying value of an asset, or group of assets may not be recoverable. Impairment losses are recognized where undiscounted future cash flows from its use and disposal are less than the assets carrying amount. Impairment loss is measured as the amount by which the asset carrying value exceeds fair value. Discounted cash flows are used to measure fair value. Any impairment is included in loss for the year.

Asset retirement obligations

The Company recognizes the fair value of a liability for an asset retirement obligation in the year in which it is incurred when a reasonable estimate of fair value can be made. The carrying amount of the related long-lived asset is increased by the same amount as the liability.

Changes in the liability for an asset retirement obligation due to the passage of time will be measured by applying an interest method of allocation. The amount will be recognized as an increase in the liability and an accretion expense in the statement of operations. Changes resulting from revisions to the timing or the amount of the original estimate of undiscounted cash flows are recognized as an increase or a decrease to the carrying amount of the liability and the related long-lived asset.

Financial Instruments

The Company has designated its financial instruments as follows: cash is classified as held-for-trading which is measured at fair value. Amounts receivable and GST/HST receivable are classified as receivables and are recorded at amortized cost. Accounts payable and accrued liabilities and amounts due to related party are classified as other liabilities. They are initially measured at fair value. Subsequent valuations are recorded at amortized cost using the effective interest method.

CICA Handbook Section 3862, Financial Instruments - Disclosure, increases the disclosures currently required to enable users to evaluate the significance of financial instruments for an entity's financial position and performance. The standard establishes a three-tier hierarchy as a framework for disclosing fair value of financial instruments based on inputs used to value the Company’s investments. The hierarchy of inputs and description of inputs is described as follows:

Level 1 – fair values are based on quoted prices (unadjusted) in active markets for identical assets or liabilities;
Level 2 – fair values are based on inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); or
Level 3 – fair values are based on inputs for the asset or liability that are not based on observable market data, which are unobservable inputs.

Financial instruments classified as level 1 – quoted prices in active markets include cash and long-term investments. The Company has no financial instruments classified as level 2 or 3.

Adoption of New Accounting Standards

(i) Goodwill and Intangible Assets

In February 2008, the CICA issued Section 3065, Goodwill and Intangible Assets, which replaces Sections 3062 and 3450. Section 3064 establishes new standards for the recognition, measurement and disclosure of goodwill and intangible assets. It also provides guidance for the treatment of preproduction and start up costs and requires that these costs be expensed as incurred. This new standard applies to interim and annual to interim and annual financial statements for fiscal years beginning on or after October 1, 2008. The Company has adopted these new standards, with no significant impact on its consolidated financial statements.

(ii) Going Concern

In June 2007, the Canadian Institute of Chartered Accountants modified Section 1400, "General Standards of Financial Statement Presentation", in order to require that management make an assessment of the Company's ability to continue as a going concern over a period which is at least, but not limited to, twelve months from the balance sheet date. These new disclosure requirements have been implemented by the Company as of December 1, 2008, and have had no impact on the Company's financial results.

(iii) Mining Exploration Costs

On March 2009 the CICA approved EIC 174, Mining Exploration Costs. The guidance clarified that an enterprise that has initially capitalized exploration costs has an obligation in the current and subsequent accounting periods to test such costs for recoverability whenever events or changes in circumstances indicate that its carrying amount may not be recoverable. The guidance is applicable to fiscal periods ending after the issuance date. Adoption of this section has had no impact on the Company's financial statements.

(iv) Credit Risk and the Fair Value of Financial Assets and Financial Liabilities

In January 2009, the Canadian Institute of Chartered Accountants (CICA) issued EIC-173, Credit Risk and the Fair Value of Financial Assets and Financial Liabilities. The guidance requires that an entity's own credit risk and the credit risk of the counterparty should be taken into account in determining the fair value of financial assets and financial liabilities, including derivative instruments. This guidance is applicable to fiscal periods ending on or after January 20, 2009. Adoption of this section has had no impact on the Company's financial statements.

Future Accounting Policies

(i) Business Combinations, Consolidated Financial Statements and Non-controlling Interest

In January 2009, the CICA issued CICA Handbook Section 1582, "Business Combinations", Section 1601, "Consolidations", and Section 1602, "Non-controlling Interests". These sections replace the former CICA Handbook Section 1581, "Business Combinations" and Section 1600, "Consolidated Financial Statements" and establish a new section for accounting for a non-controlling interest in a subsidiary.

CICA Handbook Section 1582 establishes standards for the accounting for a business combination, and states that all assets and liabilities of an acquired business will be recorded at fair value. Obligations for contingent consideration and contingencies will also be recorded at fair value at the acquisition date. The standard also states that acquisition-related costs will be expensed as incurred and that restructuring charges will be expensed in the periods after the acquisition date. It provides the Canadian equivalent to International Financial Reporting Standard ("IFRS") 3, "Business

Combinations" (January 2008). The section applies prospectively to business combinations for which the acquisition date is on or after January 1, 2011.

CICA Handbook Section 1601 establishes standards for the preparation of consolidated financial statements.

CICA Handbook Section 1602 establishes standards for accounting for a non-controlling interest in a subsidiary in the preparation of consolidated financial statements subsequent to a business combination. It is equivalent to the corresponding provisions of International Financial Reporting Standard IAS 27, "Consolidated and Separate Financial Statements" (January 2008).

CICA Handbook Section 1601 and Section 1602 apply to interim and annual consolidated financial statements relating to fiscal years beginning on or after January 1, 2011. Earlier adoption of these sections is permitted as of the beginning of a fiscal year. All three sections must be adopted concurrently. The Company is currently evaluating the impact of the adoption of these sections on their consolidated financial statements.

(ii) International Financial Reporting Standards

In January 2006, the CICA Accounting Standards Board (ASB) adopted a strategic plan for the direction of accounting standards in Canada. As part of that plan, accounting standards for public companies would be required to converge with International Financial Reporting Standards (IFRS) for fiscal years beginning on or after January 1, 2011 with comparative figures presented on the same basis. In February 2008, the CICA ASB confirmed the effective date of the initial adoption of IFRS. The transition date for the Company will be December 1, 2011 and will require the restatement for comparative purposes of amounts reported by the Company for the year ended November 30, 2011. The Company is currently evaluating these new standards to determine the potential impact on its consolidated financial statements.

Financial Risk Factors

The Company, through its financial assets and liabilities is exposed to various risks. The following analysis provides a measurement of risks as at the balance sheet date, February 28, 2011.

(a) Fair Value

The carrying values of cash, accounts receivable, accounts payable to related parties, and accounts payable and accrued liabilities approximate their fair values due to the short terms to maturity of the instruments.

(b) Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has cash balances primarily in large Canadian chartered banks, and no interest bearing debt. The Company's current policy is to invest cash Canadian bank savings accounts with interest that varies at prime.

If interest rates applicable to this floating rate bank account were to increase or decrease by 1%, the Company's annual interest income would increase or decrease by $3,600 ($2010- $9,000).

(c) Credit Risk

The Company's credit risk is primarily attributable to cash and accounts receivable. Cash is held with reputable financial institutions, primarily in Canada, and is kept in highly liquid accounts that are closely monitored by management. Credit risk with respect to its accounts receivables is minimal due to the insignificant balance.

The Company's maximum exposure to credit risk is as follows:

February 28, 2011	Canada	Mexico	Total
Cash	$ 368,716	$ 48,188	$ 416,904
Accounts receivable	-	-	-
	$ 368,716	$ 48,188	$ 416,904

November 30, 2010	Canada	Mexico	Total
Cash	$ 394,293	$ 60,631	$ 454,924
Accounts receivable	-	-	-
	$ 394,293	$ 60,631	$ 454,924

(d) Foreign Exchange risk

Currency risk is the risk that the fair value or future cash flow of a financial instrument will fluctuate because of changes in foreign exchange rate. The Company's cash flow exposure to foreign currency is due mainly to cash, option payments and costs incurred for the development of its mineral properties in Mexico. As at February 28, 2011 and 2010, the Company's consolidated balance sheets included $40,555 (2010 - $13,206) of cash denominated in U.S. currency and $7,633 (2010 - $24,805) denominated in Mexican currency; $52,405 of accounts payable (2010 - $56,781) which were U.S. currency denominated and $NIL (2010 - $15,393) of accounts payable which were Mexico currency denominated. The Company does not use hold or issue financial instruments for trading or speculative purposes. At February 28, 2011 and 2010 there were no foreign exchange contracts outstanding.

A 10% increase in the value of the Mexican peso compared to the Canadian dollar could increase the Company's reported Mineral Properties by $500 and increase its expenses by $500 for the three months ended February 28, 2011. A 10% decrease in the value of the Mexican peso would cause a similar decrease in Mineral Properties and expenses.

A 10% increase or decrease in the value of the United States dollar compared to the Canadian dollar would not have a material effect on the Company's Mineral Properties and expenses for the three months ended February 28, 2011.

(e) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they fall due. The Company manages liquidity risk through the management of its capital structure and financial leverage as outlined below. The Company has sufficient funds as at February 28, 2011 to settle its current accounts payable of $151,413, and any annual commitments on its mineral claims as outlined in Note 6 of the Company's audited financial statements.

In the opinion of management, the working capital of $286,184 at February 28, 2011 is sufficient to support the Company's normal operating requirements through its current reporting period. However, taking into consideration the Company's current cash position, volatile equity markets, global uncertainty in the capital markets and increasing cost pressures, the Company is continuing to review expenditures in order to ensure adequate liquidity and flexibility to support its exploration and development strategies.

The Company believes that external financing, likely in the form of equity offerings, will be required to complete its major exploration and development projects; however, it is not likely that there will be a need for more financing until the second half of 2012.

Outstanding Share Data

The Company has the following shares issued and outstanding:

	February 28, 2011	November 30, 2010
Authorized		
Common shares without par value	100,000,000	100,000,000
Issued and Outstanding	34,811,010	34,611,010

Stock options

There were no stock options issued during the period ended February 28, 2011.

On February 1, 2010, the Company issued 450,000 stock options exercisable at $0.10 per share. The following stock options were outstanding, with a weighted average life remaining of 1.97 years and weighted average fair value of $0.09 per option.

Number of Options	Exercise Price	Expiry Date
450,000	$ 0.10	October 20, 2011
940,000	0.26	October 29, 2012
450,000	0.10	January 31, 2015
1,840,000	$ 0.18	

Warrants

The Company has no share purchase warrants outstanding as at February 28, 2011.

Segmented Information

The Company primarily operates in one reportable business segment, being the acquisition and exploration of mineral properties located in Mexico. The net loss and assets identifiable with these geographic areas are as follows:

As at February 28, 2011	Canada	Mexico	Total
Net Loss	$ (48,200)	$ (6,169)	$ (54,369)
Current assets	388,444	49,153	437,597
Equipment	17,981	346	18,327
Mineral properties	-	5,739,968	5,739,968
Total assets	$ 406,425	$ 5,789,467	$ 6,195,892

As at February 28, 2010		Canada		Mexico		Total
Net Loss	$	(78,088)	$	(9,356)	$	(87,444)
Current assets		899,519		38,986		938,505
Equipment		25,155		479		25,634
Mineral properties		-		5,428,817		5,428,817
Total assets	$	924,674	$	5,468,282	$	6,392,956

Additional Disclosure for Venture Issuers Without Significant Revenue

		Quarter Ended February 28, 2011		Quarter Ended February 28, 2010
Capitalized or expensed Exploration and Development Costs	$	69,508	$	88,227
Expensed Research and Development Costs	$	-	$	-
General and Administrative Expenses	$	55,241	$	88,120
Material Costs	$	-	$	-

Capitalized or Expensed Exploration and Development Costs

For the Colibri property, we capitalized $13,887 during the period ended February 28, 2011 and $14,299 during the same period for 2010.

For the Ramaje Ardiente property, we capitalized $46,871 during the period ended February 28, 2011 and $4,968 during the same period for 2010.

For the Leon property, we capitalized $8,546 during the period ended February 28, 2011 and $68,718 during the same period for 2010.

For the Evelyn property, we capitalized $204 during the period ended February 28, 2011 and $242 during the same period for 2010.

Subsequent Events

a) Colibri signed a final Earn-In and Shareholders Agreement with Agnico-Eagle Mines Ltd. (AEM) on February 28, 2011. Pursuant to the Agreement, AEM may acquire up to a 75% interest in the Company’s Colibri gold project in Sonora, Mexico (the “Colibri Project”) and form a joint venture with the Company by making qualified exploration expenditures and payments to Colibri. To earn a 75% interest in the Colibri Project, AEM is required to spend, over the next three years, a minimum of US$3.0 million in exploration expenditures as well as complete a positive feasibility study within five years. In addition, AEM will be required to make option payments totaling $1,452,000 over a seven year period. After completion of the feasibility study and earning a 75% interest in the Colibri Project, AEM and Colibri may form a joint venture to develop the Colibri Project. AEM will also make an equity investment in Colibri by purchasing 3 million shares at $0.20 per share and will receive 3 million full share purchase warrants that can be exercised at any time during the next 24 months at $0.35 per warrant.

b) On March 4, 2011, Colibri announced a non-brokered private placement for gross proceeds of $2,400,000 (the "private Placement"). This non-brokered private placement was completed on April 7, 2011, and is comprised of an aggregate of 12,000,000 units at a price of $0.20 per unit. Each unit consists of one common share of the Company and one share purchase warrant, providing the holder with the right to purchase one additional Colibri common share for $0.35 per share for a period of 24 months from the closing of the Private Placement. The warrants are subject to an early acceleration provision which provides for the mandatory exercise or expiry of the warrants in the event Colibri's shares close at $0.60 or higher for a period of 20 consecutive trading days.

All of the common shares and warrants issued pursuant to this private placement are subject to a four-month hold period which expires on August 7, 2011.

Finders acting in connection with the Private Placement will receive a finder's fee in the total amount of $112,350 and an aggregate of 561,750 finder's warrants, each finder's warrant entitling the holder thereof to purchase one common share until April 6, 2013.

An insider of the Company acquired a total of 2,450,000 Units in the private placement. The Insider Participation is exempt from the valuation and minority shareholder approval requirements of Multilateral Instrument 61-101 by virtue of the exemptions contained in Sections 5.5(a) and 5.7(1)(a)of MI 61-101 based on that the fair market value of such insider participation did not exceed 25% of the Company's market capitalization.

The proceeds from the private placement will be used for general working capital for the Company's operations in Sonora, Mexico including the previously announced 2000 meter drill program at the Ramard silver project near the municipality of Carbo, Sonora.

Additional Information

Additional information relating to our Company is available for viewing on the SEDAR website at http://www.sedar.com.