COLIBRI RESOURCE CORPORATION

Form 51-102F1

Management's Discussion & Analysis for the Three Month Period Ended February 28, 2006

The following Management Discussion and Analysis ("MD&A") for Colibri Resource Corporation ("the Company") prepared as of April 25, 2006 should be read together with the unaudited consolidated financial statements for the three month period ended February 28, 2006 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 certain forward-looking statements and information relating to the Company that are based on the beliefs of its management as well as assumptions made by and information currently available to the Company. When used in this document, the words "anticipate", "believe", "estimate", "expect" and similar expressions, as they relate to the Company or its management, are intended to identify forward-looking statements. This MD&A contains forward-looking statements relating to, among other things, regulatory compliance, the sufficiency of current working capital, the estimated cost and availability of funding for the continued exploration and development of the Company exploration properties. Such statements reflect the current views of the Company with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements.

Description of Business

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, and the Ramaje Ardiente (Ramard) 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 www.sedar.com.

Performance Summary

1) On December 15, 2005, the Company paid $25,000 pursuant to a mineral property option agreement on the Colibri Property.

2) On December 19, 2005, the Company paid $15,000 pursuant to a mineral property option agreement on the Leon Property.

3) On January 17, 2006, the Company paid $6,364 for the San Francisco and Juarez claims which are part of the Colibri property.

4) On January 27, 2006, the Company announced that it encountered a delay in the progress of Phase 1 drill program on the Colibri property. The delay is the result of bad ground in a hole, which resulted in the loss of the drill bit, hammer and 500 feet of drill pipe. Another drilling contractor is being pursued to continue the planned 10,000 metre drill program.

   The Company announced the drill results from the 3,554 metres drilled to date which can be viewed at www.sedar.com.

Selected Annual Information

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

	Three Month Period Ended February 28, 2006	Three Month Period Ended February 28, 2005
Total revenues	$ 10,699	$ 365
Net income (loss) before extraordinary items	(48,132)	(24,747)
Net income (loss)	(48,132)	(24,747)
Basic and diluted earnings (loss) per share	(0.01)	(0.01)
Total assets	3,048,920	626,410
Total long-term liabilities	-	-
Cash dividends	-	-

The Company earns interest revenue from cash 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 of the Company's November 30, 2005 audited consolidated financial statements.

Period from November 30, 2004 to February 28, 2005

Operations in the period from November 30, 2004 to February 28, 2005 were focused on the incorporation of the Company, the establishment of its management team and the acquisition of properties and deferred exploration costs. The Company has not generated any revenues, except for interest revenue during the period.

The net loss for the period from November 30, 2004 to February 28, 2005 was $24,747 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 $25,112, the major component of which was management fees of $12,750 paid to a company controlled by the Company's President.

Period from November 30, 2005 to February 28, 2006

Operations in the period from November 30, 2005 to February 28, 2006 were focused on maintaining the Company's interests in the properties for which it has entered into option agreements. The Company also conducted a drill program on the Colibri property. The Company has not generated any revenues except for interest revenue during the period.

The net loss for the three month period ended February 28, 2006 was $48,132 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 $58,831. A major component of the loss was $15,000 for management fees and $9,729 in consulting fees. Accounting and audit fees increased significantly as a result of more activity primarily attributed to the Company's exploration activities.

Summary of Quarterly Results

The following table sets forth selected unaudited quarterly (except periods ended November 30) financial information for each of the last eight most recently completed quarters.

	Three Months Ended			
	February 28, 2006	November 30, 2005	August 31, 2005	May 31, 2005
Total assets	$ 3,048,920	$ 3,113,009	$ 2,913,213	$ 724,781
Mineral property costs	1,148,675	934,458	604,277	463,409
Working capital	1,843,719	2,107,046	2,255,798	148,088
Shareholders' equity	2,998,172	3,046,304	2,865,186	692,133
Revenues	10,699	14,969	529	272
Net loss	(48,132)	(27,985)	(118,968)	(41,653)
Loss per share	(0.01)	(0.01)	(0.01)	(0.01)

	Three Months Ended			
	February 28, 2005	November 30, 2004	August 31, 2004	May 31, 2004
Total assets	$ 626,410	$ 613,424	$ 456,157	$ 279,261
Mineral property costs	439,769	292,619	169,540	26,832
Working capital (deficiency)	64,073	257,359	246,635	235,910
Shareholders' equity	561,521	581,268	434,441	267,986
Revenues	365	265	265	231
Net loss	(24,747)	(8,711)	(28,339)	(85,514)
Loss per share	(0.01)	(0.01)	(0.01)	(0.03)

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, 2006	November 30, 2005
Working capital	$ 1,843,719	$ 2,107,046
Deficit	(384,049)	(335,917)

Net cash used in operating activities during the period was $76,496 compared to $18,724 during the previous comparable period. Net cash used in operating activities primarily consists of the operating loss and a change in non-cash working capital.

Financing activities used net cash of $Nil during the current period and $21,699 during the previous comparable period. The outflow of cash is attributed to issue costs related to issuance of common shares.

Net cash used in investing activities was $215,543 during the current period and $120,525 in the previous comparable period. Cash was expended on the acquisition of equipment, 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 most recently 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 will entitle 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. The Company has granted Canaccord Capital Corporation (the "Agent") an option (the “Greenshoe Option”) exercisable within 60 days of the closing of the Offering to acquire from the Company, at the Offering Price, 1,500,000 Units which is equal to 15% of the number of Units sold pursuant to the Offering. In the event the Agent exercises the Greenshoe Option in full, up to 1,500,000 additional Shares and 750,000 Warrant Shares may be issued for gross proceeds to the Company of $375,000. During the 2005 fiscal year, the Agent exercised 1,358,500 for gross proceeds of $339,625 and allowed the remaining 141,500 Greenshoe Options to expire.

Additional disclosure concerning the Company's general and administrative expenses and resource property obligations and commitments are provided in the Company's unaudited 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:

Description

(1) To make property option payments on the San Francisco and Juarez claims on the Colibri gold property, collectively for the sum of US$5,000 on 01 January, 2006 (paid), and US$9,000 on each of 01 April, 2006, 01 July, 2006, and 01 October 2006 — $ 40,000

Note: C$/US$ foreign exchange assumption = 1.25

(2) To make property option payments of C$ due per schedule below — $ 55,000

	16 June, 2006
Colibri property	$25,000
Leon property	$15,000
Ramard property	$15,000

(3) To make mineral property tax estimated payments due per schedule below — $ 27,908

	01 January, 2006	01 July 2006
Colibri property	$5,851 (paid)	$6,436
Leon property	$2,439 (paid)	$2,682
Ramard property	$5,000 (paid)	$5,500

Note: Mexican peso/C$ foreign exchange assumption = 8.5

(4) (a) To conduct the Phase I exploration – Colibri property — $ 500,000

(b) To conduct the Phase I exploration program on the Ramard Property (consisting of $50,000 for line cutting, soil sampling and geological mapping; $100,000 for ground geophysics; and $100,000 for a 1,000 meter drill program) — $ 250,000

(c) To conduct a basic exploration program on the Leon Property to maintain it in good standing and Mexican Mining Regulations. — $ 40,000

(5) To cover estimated general and administrative expenses for a 12-month period — $ 264,684

(6) To provide general working capital — $ 716,875

Transactions with Related Parties

Accounts payable to a related party of $5,000 (2005 - $5,000) is comprised of management fees due to a company controlled by a director.

During the three month period ended February 28, 2006, the Company entered into the following transactions with related parties:

a) Paid or accrued management fees of $15,000 (2005 - $12,750) to a company controlled by a director of the Company.

b) Paid or accrued $Nil (2005 - $20,750) in geological consulting fees, which are included in deferred exploration costs, to a company controlled by a former director.

c) As outlined in Note 4, Colibri Property, the Company paid $25,000 (2005 - $25,000) to a private Mexican company controlled by a director of the Company and a former director.

d) As outlined in Note 4, Leon Property, the Company paid $Nil (2005 - $10,000) to a private Mexican company which is 50% owned by a former director.

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.

Financial Instruments and Other Instruments

The Company's financial instruments consist of cash, receivables, accounts payable and accrued liabilities and account payable to related party. In management's opinion, 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 values, unless otherwise noted.

Outstanding Share Data

Capital stock

	Number of Shares		Amount		Contributed Surplus
Authorized					
100,000,000 common shares without par value					
Issued					
Balance as at November 30, 2005	20,319,867	$	3,234,104	$	148,117
No change during the period	-		-		-
Balance as at February 28, 2006	20,319,867	$	3,234,104	$	148,117

On January 6, 2006, 429,000 common shares were released from escrow. A total of 2,145,000 common shares are subject to an escrow agreement with their release at the discretion or determination of the applicable regulatory authority.

Stock options

At February 28, 2006, the following stock options were outstanding:

Number of Options	Exercise Price	Expiry Date
550,000	$ 0.25	July 28, 2010

Warrants

At February 28, 2006, the Company had non-publicly traded (non transferable) share purchase warrants outstanding enabling the holders to acquire common shares as follows:

Number of Warrants	Exercise Price	Expiry Date
1,948,275	$ 0.30	July 28, 2007

At February 28, 2006, the Company had the following publicly traded (transferable) share purchase warrants outstanding enabling the holders to acquire common shares as follows:

Number of Warrants	Exercise Price	Expiry Date
5,679,250	$ 0.30	July 28, 2007

Subsequent Event

Annual General Meeting

On April 5, 2006, the Company announced that it will hold its Annual General Meeting at 451-409 Granville Street, Vancouver, British Columbia on Monday, May 1, 2006 at 10:00 am.