



Columbus Gold
C O R P O R A T I O N

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

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

**For the Six Month Period Ended
March 31, 2006**

(Canadian Funds)

Auditor Review – These interim financial statements and related schedules were prepared by management. They have not been reviewed by the Company's independent external auditor.

Columbus Gold Corporation

(A Exploration Stage Company)

Interim Consolidated Balance Sheet

	March 31, 2006	September 30, 2005 (Audited)
ASSETS		
Current assets		
Cash and cash equivalents	\$ 221,893	\$ 186,061
Term deposits	238,000	1,340,000
Prepays	32,309	63,946
Receivables	12,663	44,135
	504,865	1,634,142
Advances to a related party for exploration (note 7)	9,708	115,195
Deferred issuance costs (note 3)	119,813	58,662
Property and equipment, net (note 4)	1,599	1,982
Mineral properties (note 5)	2,034,844	1,290,852
	\$ 2,670,829	\$ 3,100,833
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued liabilities	\$ 40,949	\$ 60,845
Due to related parties (note 7)	10,523	4,580
	51,472	65,425
Shareholders' equity		
Share capital (note 6)	4,658,315	4,562,315
Deficit	(2,038,958)	(1,526,907)
	2,619,357	3,035,408
	\$ 2,670,829	\$ 3,100,833

Nature and continuance of operations (note 1)

Commitments (note 9)

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 Gold Corporation

(An Exploration Stage Company)

Interim Consolidated Statement of Operations and Deficit

	Three Months Ended March 31, 2006	Six Months Ended March 31, 2006	Three Months Ended March 31, 2005	Six Months Ended March 31, 2005
EXPENSES				
Administration	\$ 3,116	\$ 32,708	\$ 8,817	\$ 15,700
Amortization	192	384	192	192
Consulting fees	18,528	34,092	167,000	159,504
Corporate administration fees	19,263	38,463	11,358	18,553
Director fees	12,000	24,000	12,000	12,000
Foreign exchange loss (gain)	2,837	9,720	(915)	1,228
General exploration	109,669	184,379	-	-
Investor relations	7,107	8,157	2,992	2,992
Management fees	15,000	30,000	23,297	53,500
Professional fees	54,056	92,114	7,882	50,687
Transfer and filing fees	32,217	32,217	-	-
Travel, advertising and promotion	9,523	17,931	-	1,860
Loss before the following	(283,508)	(504,165)	(232,623)	(316,216)
Interest income	5,178	10,253	5,850	6,224
Bad debts	-	-	(17,899)	(17,899)
Write-down of mineral properties	(18,139)	(18,139)	-	-
Loss for the period	(296,469)	(512,051)	(244,672)	(327,891)
Deficit, beginning of period	(1,742,489)	(1,526,907)	(699,394)	(616,175)
Deficit, end of period	\$ (2,038,958)	\$ (2,038,958)	\$ (944,066)	\$ (944,066)
Basic and diluted loss per common share	\$ (0.02)	\$ (0.04)	\$ (0.03)	\$ (0.05)
Weighted average number of common shares outstanding	14,062,004	13,944,147	8,180,237	6,279,287

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

Columbus Gold Corporation

(An Exploration Stage Company)

Interim Consolidated Statement of Cash Flows

	Three Months Ended March 31, 2006	Six Months Ended March 31, 2006	Three Months Ended March 31, 2005	Six Months Ended March 31, 2005
CASH FLOWS FROM OPERATING ACTIVITIES				
Loss for the period	\$ (296,469)	\$ (512,051)	\$ (244,672)	\$ (327,891)
Items not affecting cash:				
Amortization	192	384	192	192
Shares issued in exchange for services	-	-	30,000	30,000
Write-down of mineral properties	18,139	18,139	-	-
Changes in non-cash working capital items:				
Decrease / (Increase) in receivables	5,415	31,472	(2,978)	(7,694)
Increase / (Decrease) in accounts payable and accrued liabilities	(721)	(19,897)	(62,486)	16,738
Decrease / (Increase) in prepaid expenses	(10,939)	31,637	-	-
Decrease in amounts due from related parties	-	-	17,899	23,574
Increase in amounts due to related parties	10,523	5,943	77,500	77,500
Net cash used in operating activities	(273,860)	(444,373)	(184,545)	(187,581)
CASH FLOWS FROM INVESTING ACTIVITIES				
Advances to a related party for exploration	57,733	105,487	-	-
Mineral property expenditures	(429,044)	(741,131)	(131,772)	(158,259)
Purchase of property, plant and equipment	-	-	(2,558)	(2,558)
Redeem term deposit	612,486	1,102,000	-	-
Net cash used in investing activities	241,175	466,356	(134,330)	(160,817)
CASH FLOWS FROM FINANCING ACTIVITIES				
Common share private placements	-	-	1,866,284	2,836,371
Deferred issuance costs	(36,580)	(61,151)	(10,543)	(10,543)
Exercise of share purchase warrants	-	75,000	-	-
Share issuance costs	-	-	(27,789)	(27,789)
Net cash provided by financing activities	(36,580)	13,849	1,827,952	2,798,039
Change in cash and cash equivalents	(69,265)	35,832	1,509,077	2,449,641
Cash and cash equivalents, beginning of period	291,158	186,061	1,267,794	327,230
Cash and cash equivalents, end of period	\$ 221,893	\$ 221,893	\$ 2,776,871	\$ 2,776,871

Supplemental Cash Flow Information - Note 8

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

Columbus Gold Corporation

(A Development Stage Company)

Notes to Interim Consolidated Financial Statements

For the Six Month Period Ended March 31, 2006

1. Nature and Continuance of Operations

Columbus Gold Corporation (formerly Purple Vein Resources Ltd., the “Company”) was incorporated on May 14, 2003 under the laws of the Province of Saskatchewan, Canada and continued on to British Columbia, Canada on December 29, 2003. The Company changed its name to Columbus Gold Corporation effective December 20, 2004. Its principal business activities are the exploration and development of resource properties. All of the Company’s resource properties are currently located in the United States.

The Company is in the process of exploring and developing its resource properties, but has not yet determined whether the properties contain ore reserves that are economically recoverable. The recoverability of the amounts shown for resource properties and related deferred exploration costs are dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development of those reserves and upon future profitable production.

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. Its ability to continue as a going concern is dependent upon the continued support of the related parties, the ability of the Company to raise equity financing, the discovery of economically recoverable reserves and ultimately the attainment of profitable operations. 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 Gold Corporation and its wholly owned subsidiary Columbus Gold (U.S.) Corporation. All inter-company transactions and balances have been eliminated upon consolidation. Columbus Gold (U.S.) Corporation was incorporated on March 17, 2005.

(b) 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.

Columbus Gold Corporation

(A Development Stage Company)

Notes to Interim Consolidated Financial Statements

For the Six Month Period Ended March 31, 2006

2. Significant Accounting Policies (continued)

(b) Cash and cash equivalents

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

(d) 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.

(e) 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.

Columbus Gold Corporation

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Notes to Interim Consolidated Financial Statements

For the Six Month Period Ended March 31, 2006

2. Significant Accounting Policies (continued)

(f) Deferred issuance costs

Costs related to shares not yet issued are recorded as deferred issuance costs. Deferred issuance costs consist primarily of corporate finance fees and professional fees. These costs will be deferred until the issuance of the shares to which the costs relate, at which time the costs will be charged against the related capital stock or charged to operations if the shares are not issued. Any financing costs which do not directly relate to the issuance of shares are expensed as incurred.

(g) Foreign currency translation

The monetary assets and liabilities of the Company that are denominated in foreign currencies are translated at the rate of exchange at the balance sheet date and non-monetary items are translated at historical rates. Revenues and expenses are translated at the average exchange rate for the period. Exchange gains and losses arising on translation are included in the statement of operations.

(h) 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.

(i) 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 loss per common share is recognized on 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.

Columbus Gold Corporation

(A Development Stage Company)

Notes to Interim Consolidated Financial Statements

For the Six Month Period Ended March 31, 2006

2. Significant Accounting Policies (continued)

(j) Share capital

i) The proceeds from the exercise of stock options, warrants and escrow shares are recorded as share capital in the amount for which the option, warrant or escrow share enabled the holder to purchase a share in the Company.

ii) Share capital issued for non-monetary consideration is recorded at an amount based on fair market value.

(k) 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.

(l) Asset retirement obligations

The Company's mineral exploration and development activities are subject to various laws and regulations regarding protection of the environment. As a result the Company incurs expenses from time to time to discharge its obligations under these laws and regulations. Certain of these expenses meet the definition of an asset and other expenses do not meet this definition. The assets are capitalized and the other costs are expensed as incurred.

When estimating the costs that are expected to be incurred, there are many factors to be considered such as the extended period over which the costs are to be incurred, the discount factors, and significant judgments and estimates. As such the fair value of the retirement obligations could change materially from year to year. In addition, changes in laws and regulations could cause significant changes in the expected costs and the related fair value.

During the period, management determined that there was no change to the estimates for asset retirement.

Columbus Gold Corporation

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Notes to Interim Consolidated Financial Statements

For the Six Month Period Ended March 31, 2006

2. Significant Accounting Policies (continued)

(m) Variable interest entities - Change in Accounting Policy

The Accounting Standards Board (AcSB) issued Accounting Guideline AcG 15 "Consolidation of Variable Interest Entities", to harmonize the Guideline with the equivalent FASB Interpretation No. 46R, "Consolidation of Variable Interest Entities" ("VIE"). The Guideline provides criteria for identifying VIEs and further criteria for determining what entity, if any, should consolidate them. The adoption of this Guideline does not materially impact the Company's results of operations and financial position.

3. Deferred Issuance Costs

The Company incurred \$61,151 in costs relating to its Initial Public Offering ("IPO") during the period. Costs related to the IPO are recorded as deferred issuance costs and will be charged against the gross proceeds raised from the IPO. The balance consisted of \$48,548 in legal fees, \$829 for geological technical reports and \$11,774 in audit and accounting fees. The total deferred costs relating to the IPO as of March 31, 2006 are \$119,813.

4. Property and Equipment

	March 31, 2006		
	Cost	Accumulated Amortization	Net Book Value
Computer equipment - 30%	\$ 2,558	\$ 959	\$ 1,599

	September 30, 2005		
	Cost	Accumulated Amortization	Net Book Value
Computer equipment - 30%	\$ 2,558	\$ 576	\$ 1,982

Columbus Gold Corporation

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Notes to Interim Consolidated Financial Statements

For the Six Month Period Ended March 31, 2006

5. Mineral Properties (continued)

Title to Resource Properties

Title to resource properties involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many resource properties. The Company has investigated title to all of its resource properties and, to the best of its knowledge, title to all of its properties is in good standing.

A summary of resource properties and deferred exploration costs is as follows:

	September 30, 2005	Acquisition Cost	Deferred Exploration	Write-down/ Depreciation	March 31, 2006
Golden Mile	\$ 142,109	\$ 52,661	\$ 201,495	\$ -	\$ 396,265
Utah Clipper ⁽¹⁾	568,726	28,863	48,779	-	646,368
Dutch Flat	74,828	6,000	42,229	-	123,057
Chert Cliff	11,698	-	109	-	11,807
Silver District	42,601	-	8,263	-	50,864
Four Metals	41,604	-	(1,055)	-	40,549
Crestview ⁽²⁾	167,705	-	31,603	-	199,308
Laura	141,887	-	28,272	-	170,159
Linka	18,243	-	52,445	-	70,688
Red Bird	18,139	-	-	(18,139)	-
Clanton Hills	2,367	-	4,842	-	7,209
Clara	39,462	-	23,708	-	63,170
Pete's Summit	21,483	-	21,811	-	43,294
Bolo	-	-	19,073	-	19,073
Guild	-	-	83,114	-	83,114
Summit	-	-	109,919	-	109,919
Total American Properties	\$ 1,290,852	\$ 87,524	\$ 674,607	\$ (18,139)	\$ 2,034,844

⁽¹⁾ Includes any exploration expenditures incurred on the Orbit claims as these claims are contiguous to the Utah Clipper Property.

⁽²⁾ Includes any exploration expenditures incurred on the Blue Spider claims as these claims are contiguous to the Crestview Property.

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Notes to Interim Consolidated Financial Statements

For the Six Month Period Ended March 31, 2006

5. Mineral Properties (continued)

	September 30, 2004	Acquisition Cost	Deferred Exploration	Write-down/ Depreciation	September 30, 2005
Golden Mile	\$ 100,002	\$ 15,000	\$ 27,107	\$ -	\$ 142,109
Utah Clipper	346,003	70,000	152,723	-	568,726
Dutch Flat	1,053	6,048	67,727	-	74,828
Chert Cliff	1,251	-	10,447	-	11,698
Silver District	14,846	-	27,755	-	42,601
Four Metals	8,174	-	33,430	-	41,604
Crestview	-	140,000	27,705	-	167,705
Laura	-	140,000	1,887	-	141,887
Linka	-	10,810	7,433	-	18,243
Red Bird	-	16,952	1,187	-	18,139
Clanton Hills	-	-	2,367	-	2,367
Clara	-	-	39,462	-	39,462
Pete's Summit	-	-	21,483	-	21,483
Total American Properties	\$ 471,329	\$ 398,810	\$ 420,713	\$ -	\$ 1,290,852

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

	<u>Amount</u>
Balance – September 30, 2004	<u>\$ 471,329</u>
Acquisition	398,810
Administration	143,012
Assays	5,405
Claim renewals	83,667
Geological consultants	14,618
Geophysics	147,286
Travel	26,725
Balance – September 30, 2005	<u>\$1,290,852</u>
Acquisition	87,524
Administration	217,366
Assays	31,598
Claim renewals	67,007
Drilling	124,321
Geophysics	177,287
Maps and reports	6,341
Travel	50,687
Less: Property write-offs	<u>(18,139)</u>
Balance – March 31, 2006	<u>\$2,034,844</u>

Columbus Gold Corporation

(A Development Stage Company)

Notes to Interim Consolidated Financial Statements

For the Six Month Period Ended March 31, 2006

5. Mineral Properties (continued)

Golden Mile Property

Pursuant to a mineral lease agreement (the “agreement”), dated December 9, 2003, between the Company and Nevada Mine Properties II Inc. (“Nevada Mine”), the Company acquired the right to earn a 100% interest in the Golden Mile Property located in Nevada, U.S.A. which includes the CMA, MA, Martin and Walsh claims. As consideration, the Company must issue and pay the following:

Shares

- 150,000 common shares (issued);
- 75,000 common shares on the first anniversary of the agreement (issued);
- 75,000 common shares on the second anniversary of the agreement; (issued)

Cash (USD)

- \$2,500 on the first anniversary of the agreement (paid);
- \$5,000 on the second anniversary of the agreement (paid);
- \$7,500 on the third anniversary of the agreement;
- \$25,000 on the fourth anniversary of the agreement and thereafter until production commences.

The above payments can be deducted from subsequent production royalties.

In addition, the Company has agreed to:

- Pay for all charges incurred on the Golden Mile Property;
- Pay a 3.5% net smelter returns royalty (“NSR”) from the sale of gold on the CMA and MA claims;
- Pay a 0.5% NSR from the sale of gold on the Martin and Walsh claims.

The Company can buy up to 2% of the NSR for the CMA and MA claims for USD\$1,750,000 per percentage point upon completion of a bankable feasibility study or when ore production occurs.

As part of the agreement with Nevada Mine, the Company is responsible for all underlying advance royalty obligations owed on the Martin and Walsh claims. The Company must pay the following advance royalties (in USD) under the Martin agreement:

- \$15,000 on the second anniversary of the agreement (paid);
- \$20,000 on the third anniversary of the agreement (paid);
- \$50,000 on the fourth anniversary of the agreement;
- \$50,000 (adjusted by changes in the consumer price index) on the fifth anniversary of the agreement and thereafter until production commences.

Columbus Gold Corporation

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Notes to Interim Consolidated Financial Statements

For the Six Month Period Ended March 31, 2006

5. Mineral Properties (continued)

The Martin claims are subject to a 4.75% NSR from the sale of gold on the Martin claims, and the above payments can be deducted from these production royalties.

The Company must pay the following advance royalties (in USD) under the Walsh agreement:

- \$7,500 on the third anniversary of the agreement (paid);
- \$7,500 on the fourth anniversary of the agreement (paid);
- \$10,000 (adjusted by changes in the consumer price index) on the fifth anniversary of the agreement and thereafter until production commences.

The Walsh claims are subject to a 3.00% NSR from the sale of gold on the Walsh claims, and the above payments cannot be deducted from these production royalties.

The Lands Properties

The Company entered into an agreement dated March 10, 2003, with Hidefield Gold (US) Inc. ("Hidefield Gold"), a company that shares a common director, to acquire certain mineral properties in Nevada and Arizona, known as the Lands Properties. As consideration, the Company was required to raise \$250,000 and issue 2,500,000 common shares to Hidefield Gold (issued). The following properties were acquired:

- Utah Clipper Property (100% interest)
- Dutch Flat Property (83% interest)
- Chert Cliff Property (100% interest)
- Silver District Property (100% interest)
- Four Metals Copper Property (50% interest)

These properties are subject to a 1.5% NSR under the Hidefield Gold agreement. Additionally, the Company has assumed the underlying royalty agreements on the Utah Clipper and Chert Cliff properties. A total of 166 claims within the Utah Clipper Property are subject to an underlying 1% NSR. Further, a total of 7 claims within the Chert Cliff Property are subject to a 3% NSR, which will be reduced to 1% upon reaching USD\$500,000 in NSR payments.

On May 31, 2005, the Company obtained the option to acquire the remaining 17% interest in the Dutch Flat Property in exchange for USD\$5,000 (paid) and the issuance of 20,000 common shares (issued).

Columbus Gold Corporation

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Notes to Interim Consolidated Financial Statements

For the Six Month Period Ended March 31, 2006

5. Mineral Properties (continued)

Nevada Sunrise Agreement

On June 30, 2005, the Company entered into an agreement with Nevada Sunrise LLC (“Nevada Sunrise”) pursuant to which the Company acquired, by quitclaim deed, from Nevada Sunrise 11 unpatented mineral claims comprising 220 acres for USD\$10,000 (paid) and for reimbursement of past costs. The agreement obligates the Company to maintain the claims, and grants to Nevada Sunrise a 1% NSR over all the Dutch Flat Project claims. It also provides that if the Company fails or elects not to maintain the claims, then it will quitclaim all of the Dutch Flat claims back to Nevada Sunrise.

Clipper Lease

On April 18, 2005, the Company entered into an agreement with third parties (the “lessors”) whereby the Company leased an additional 7 patented lode claims in Ladner County, Nevada for a term of 20 years to conduct exploration and mining operations. The lease is renewable for additional and successive terms of 10 years provided the Company is engaged in active exploration and development. These claims, which are internal to the existing Utah Clipper claims, are subject to a 3% NSR and provide for the payment of specified advance minimum royalty payments on an annual basis as follows:

Date	Amount (in USD)
Execution of Agreement	\$5,000 (Paid)
1 st Anniversary	\$5,000 (Paid)
2 nd Anniversary	\$5,000
3 rd Anniversary	\$7,500
4 th Anniversary	\$7,500
5 th Anniversary	\$7,500
6 th and subsequent Anniversaries*	\$10,000

*On the 7th and subsequent anniversaries, payments will be adjusted to inflation.

In the event that the Company disposes of the mining claims to the US Bureau of Land Management, it will pay two-thirds of the proceeds realized to the lessors.

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Notes to Interim Consolidated Financial Statements

For the Six Month Period Ended March 31, 2006

5. Mineral Properties (continued)

Golden West Agreement

On September 5, 2005, the Company entered into an assignment agreement with Golden West Resources Ltd. ("Golden West"), whereby Golden West agreed to assign to the Company all of its rights, title and interest in and to certain lease agreements respecting certain mineral properties in Nevada known as, the Orbit claims, the Crestview claims, the Blue Spider claims and the Laura claims. As consideration for the assignment, the Company agreed to pay to Golden West US\$25,000 (paid), reimburse Golden West for a total of US\$61,400 (paid) in past costs, assume US\$8,875 (paid) in obligations to the underlying lessors and issue 1,000,000 common shares (issued) of the Company. All of the claims are subject to a 3% NSR.

The shares are subject to a pooling agreement, amended January 13, 2006, to be released as follows:

Date	Number of Shares
Upon closing of the agreement	100,000 (released)
January 13, 2006	100,000 (released)
6 months after completion of the Company's IPO	200,000
12 months after completion of the Company's IPO	200,000
18 months after completion of the Company's IPO	200,000
24 months after completion of the Company's IPO	200,000

The lease agreements assigned from Golden West are for a term of 10 years and can be renewed for three additional terms of 10 years, each so long as the conditions of the lease are met and a fee of \$50,000 is paid to the lessor upon the beginning of each successive term. Quarterly lease payments, subject to annual CPI adjustment, are due as follows:

Claims	Amount (in USD)
Orbit	\$3,000
Crestview	\$1,800
Blue Spider	\$1,500
Laura	\$1,800

Other Properties

The Company has staked additional properties in Nevada and Arizona, including the Linka Property, Clanton Hills Property, Clara Property, Pete's Summit Property, Bolo Property, Guild Property and the Summit Property. Initial work has begun on all of these properties. All of these properties are subject to an NSR of 2% under the terms of the Cordex Agreement.

Columbus Gold Corporation

(A Development Stage Company)

Notes to Interim Consolidated Financial Statements

For the Six Month Period Ended March 31, 2006

6. Share Capital

(a) Common Shares

	Number of Shares	Amount
Authorized *		
Unlimited common shares without par value		
Unlimited Class A preferred shares without par value		
Balance, as at September 30, 2004	7,180,100	\$ 388,680
Consolidation of shares at 2:1 ratio **	(3,590,050)	-
Common shares issued for cash ^{1 and 2}	2,769,954	1,763,986
Conversion of \$0.20 special warrants to shares	2,637,250	527,450
Exercise of warrants at \$0.50 per share	2,144,750	1,072,385
Shares issued as settlement of acquisition of mineral properties – non-cash	1,075,000	365,000
In exchange for services rendered	100,000	30,000
Conversion of \$0.30 special warrants to shares	1,500,000	450,000
Share issuance costs	-	(35,186)
Balance, as at September 30, 2005	13,817,004	4,562,315
Exercise of warrants at \$0.50 per share	150,000	75,000
Shares issued as settlement of acquisition of mineral properties – non-cash	95,000	21,000
Balance, as at March 31, 2006	14,062,004	\$ 4,658,315

* During the 2005 fiscal year, the Company changed its authorized share structure from 100,000,000 common shares without par value and 100,000,000 preference shares without par value, to unlimited common shares without par value and unlimited class A preference shares without par value.

** Effective December 20, 2004, the Company consolidated its share capital on the basis of 2:1. All special warrants issued prior to this date have been restated for presentation purposes.

1. During the prior year, the Company completed a private placement of 696,620 common shares at a per unit price of \$0.30 with total proceeds of \$208,986.
2. During the prior year, the Company completed a private placement of 2,073,334 common shares at a per unit price of \$0.75 with total proceeds of \$1,555,000

Columbus Gold Corporation

(A Development Stage Company)

Notes to Interim Consolidated Financial Statements

For the Six Month Period Ended March 31, 2006

6. Share Capital (continued)

Escrow Shares

Pursuant to an escrow agreement dated as of June 21, 2005 between the Company, Computershare Investor Services (the “escrow agent”) and certain principals of the Company, the principals agreed to deposit in escrow their common shares totaling 4,497,634 shares with the escrow agent. The escrow agreement provides that 10% of the escrow shares will be released upon final receipt of the Company’s IPO prospectus, and 15% will be released every 6 months thereafter over a period of 36 months. As at March 31, 2006, the number of escrow shares outstanding was 4,497,634.

(b) Stock Options

A summary of stock options outstanding as at March 31, 2006 is set out below:

Number of Options	Exercise Price	Expiry Date
1,615,000	\$0.85	5 years from the date of stock exchange listing

A summary of the changes in the Company’s stock options is set out below:

	Options outstanding	Weighted average exercise price
Balance – September 30, 2005	1,565,000	\$0.85
Granted during the period	50,000	0.85
Exercised during the period	-	-
Cancelled during the period	-	-
Balance – March 31, 2006	1,615,000	\$0.85

The Company granted 50,000 incentive stock options to an officer at an exercise price of \$0.85 per share for a term of 5 years from the date the Company’s common shares are listed on a recognized stock exchange. These options are not exercisable until the Company completes its IPO, therefore, no stock based compensation has been recognized during the period.

Columbus Gold Corporation

(A Development Stage Company)

Notes to Interim Consolidated Financial Statements

For the Six Month Period Ended March 31, 2006

6. Share Capital (continued)

(c) Warrants

There were no warrants outstanding at March 31, 2006.

A summary of the changes in the Company's share purchase warrants is set out below:

	Warrants outstanding	Weighted average exercise price
Balance – September 30, 2005	442,500	\$0.50
Issued during the period	-	-
Exercised during the period	(150,000)	0.50
Expired during the period	(292,500)	0.50
Balance – March 31, 2006	-	\$ -

7. Related Party Transactions

The following are related party transactions for the six months ended March 31, 2006 and 2005:

	Corp Admin and Prof. fees	Consulting fees	Management fees	Director fees
John Prochnau (Director)	\$ -	\$ 9,756	\$ -	\$ 6,000
Hamilton Capital Partners Ltd. (Company with a director in common)	-	24,000	-	6,000
Robert Giustra (President and director)	-	-	30,000	6,000
Gil Atzmon (Director)	-	-	-	6,000
Cordilleran Exploration Co. (Company with an officer in common)	-	87,375	-	-
HRG Management Ltd. (Company with 2 directors in common)	20,687	-	-	-
RWA Management Ltd. (Company with a former officer in common)	37,600	-	-	-
Balance, period ending Mar. 31, 2006	\$ 58,287	\$ 121,131	\$ 30,000	\$ 24,000

Columbus Gold Corporation

(A Development Stage Company)

Notes to Interim Consolidated Financial Statements

For the Six Month Period Ended March 31, 2006

7. Related Party Transactions (continued)

	Corp Admin and Prof. fees	Consulting fees	Management fees	Director fees
John Prochnau (Director)	\$ -	\$ 11,057	\$ -	\$ 3,000
Hamilton Capital Partners Ltd. (Company with a director in common)	-	212,000	-	3,000
Robert Giustra (President and director)	-	-	22,000	3,000
Gil Atzmon (Director)	-	-	-	3,000
RWA Management Ltd. (Company with a former officer in common)	31,500	-	-	-
Balance, period ending Mar. 31, 2005	\$ 31,500	\$ 223,057	\$ 22,000	\$ 12,000

At March 31, 2006, a total of \$9,708 (September 30 2005 - \$115,195) was advanced to Cordilleran Exploration Co. ("Cordex"), a company with an officer in common with Columbus Gold (U.S.) Corp., for planned future exploration expenditures on the Company's mineral properties.

At March 31, 2006, a total of \$10,523 (September 30, 2005 - \$4,580) was due to directors of the Company for reimbursement of expenses and acquisition costs of mineral properties, directors fees and management fees.

These transactions are 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. Supplemental Cash Flow Information

	2005	2004
Cash paid for interest	\$ -	\$ -
Cash paid for income taxes	\$ -	\$ -

Other Non-Cash Investing and Financing Activities:

The Company issued 75,000 common shares (2004 – 75,000 common shares) at an agreed price of \$0.20 per share (\$15,000) as part of the Golden Mile acquisition agreement.

The Company issued 20,000 common shares at an agreed price of \$0.30 per share (\$6,000) as part of the remaining (17%) Dutch Flat Property acquisition.

Columbus Gold Corporation

(A Development Stage Company)

Notes to Interim Consolidated Financial Statements

For the Six Month Period Ended March 31, 2006

9. Commitments

In January 2006, the Company entered into a new exclusive two year agreement with Cordex, a company that shares an officer in common with Columbus Gold (U.S.) Corporation, 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 current portfolio of mineral properties. The Company has agreed that Cordex will be provided general operating costs, exclusive of third party contractor expenses, of US\$34,500 per month which is inclusive of a management fee to Cordex of US\$12,500 per month.

Further, Cordex will receive a 2% NSR on any claims that they stake on behalf of the Company. For claims or mineral rights acquired from third parties, which include an existing royalty, 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% nor greater than 2%.

All properties acquired by the Company within two miles of a claim generated by Cordex will fall under the area of influence and become subject to this agreement.

10. Subsequent Events

Subsequent to the end of the period, the Company:

- a) Completed its IPO on the TSX Venture Exchange ("TSX-V") by issuing 5,882,352 units (the "Units") at a price of \$0.85 per Unit (the "Offering") for total gross proceeds of \$5,000,000. Each Unit consisted of one common share of the Company and one share purchase warrant. Each share purchase warrant will entitle the holder to acquire one additional common share at an exercise price of \$1.25 per share for a period of 18 months from the closing of the Offering. Global Securities Corporation (the "Agent") was paid a cash commission of \$284,568, a \$25,000 corporate finance fee and received 334,785 Agent's Warrants exercisable at \$1.25 for a period of 18 months from the closing of the Offering. Additionally, a cash commission of \$45,607 was paid in third party finder's fees.
- b) Entered into a services agreement, effective February 1, 2006, with HRG Management Ltd. ("HRG") in which the Company will pay a monthly corporate administration fee of \$10,381 which includes office administration, accounting, corporate secretarial, chief financial officer, investor relations and other related services. HRG is a captive management company jointly owned by the Company and certain other public companies, all of which share office space. The Company shares two common directors with HRG.
- c) Granted 375,000 incentive stock options exercisable at \$0.85 per share to employees and consultants. Certain of the options have vesting schedules and all expire five years from the date the Company obtained its TSX-V listing.

Columbus Gold Corporation

(A Development Stage Company)

Notes to Interim Consolidated Financial Statements

For the Six Month Period Ended March 31, 2006

10. Subsequent Events (continued)

- d) Entered into a management services agreement with a company controlled by an officer. The Company will pay a monthly fee of \$5,000 for a term of one year.
- e) Entered into two agreements with Black Pearl Minerals Consolidated Inc. ("Black Pearl"), a publicly traded company on the TSX-V, for the sale of the Four Metals Property. Subject to pre-existing underlying royalties and a 1.5% NSR to the Company on certain claims that comprise the Four Metals Property, the Company has agreed to sell all of its interest in exchange for aggregate consideration of US\$300,000 cash and 600,000 common shares of Black Pearl, payable over four years.
- f) Entered into an agreement on April 11, 2006 with Platte River Gold Inc. ("Platte River" or the "lessee") whereby Platte River has leased the Chert Cliff Property for a term of 20 years to conduct exploration and development activities. The lease is renewable for an additional and successive term of twenty years provided the lessee is engaged in active exploration and development and the required lease payments are double that of the first 20 year term. These claims are subject to royalties of 2% to 3%, and the required annual lease payments begin with US\$5,000 (paid) due upon execution of the agreement and increase incrementally to US\$8,500 by the 20th anniversary date. Additionally, the Company will receive a total of US\$100,000 in common shares of the lessee within 24 months of the date of the agreement. Finally, Platte River is required to expend a minimum of US\$75,000 on exploration within eighteen months and an additional US\$200,000 within thirty-six months of effective date of the agreement.



Columbus Gold
C O R P O R A T I O N

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

MANAGEMENT'S DISCUSSION AND ANALYSIS

**For The Six Month Period Ended
March 31, 2006**

COLUMBUS GOLD CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE SIX MONTH PERIOD ENDED MARCH 31, 2006

INTRODUCTION

The following discussion of performance and financial condition should be read in conjunction with the interim unaudited interim consolidated financial statements of the Company for the period ended March 31, 2006 and the audited consolidated financial statements for the year ended September 30, 2005. The Company's interim consolidated financial statements are prepared in accordance with Canadian GAAP. The Company's reporting currency is Canadian dollars unless otherwise stated. The date of this Management's Discussion and Analysis is May 25, 2006.

DESCRIPTION OF BUSINESS

Columbus Gold Corporation (the "Company") was incorporated on May 14, 2003 under the laws of the Province of Saskatchewan, Canada and continued in British Columbia, Canada on December 29, 2003. The Company changed its name from Purple Vein Resources Ltd. to Columbus Gold Corporation effective December 20, 2004. On May 24, 2006, the Company completed its Initial Public Offering ("IPO") and obtained a listing on the TSX Venture Exchange ("TSX-V" or the "Exchange") as a Tier 2 mining issuer under the trading symbol **CGT-V**.

The Company's principal business activities are the acquisition, exploration and development of resource properties. Currently, all of the Company's resource properties are located in the United States (Refer to Resource Properties). The Company is in the process of exploring and developing these resource properties but has not yet determined whether the properties contain ore reserves that are economically recoverable.

MINERAL PROPERTIES

Currently, the Company is focusing its exploration activities on the western United States with special emphasis on Nevada and Arizona. The Company has two major properties on which it has caused to be prepared technical reports under National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("NI 43-101"), these being the Utah-Clipper Property and the Golden Mile Property. (Both reports were Sedar filed on February 21, 2006)

Utah-Clipper

The Utah-Clipper Property is situated in the Bullion Mining District, in the Shoshone Range, Lander County, Nevada. The property consists of 16 patented mining claims and 213 unpatented mining claims totaling approximately 4500 acres.

During 2005, the Company completed surface rock sampling, a ground magnetic survey, and a ground CSAMT survey on the property. The 2005 exploration program was managed by Cordex on behalf of the Company.

COLUMBUS GOLD CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE SIX MONTH PERIOD ENDED MARCH 31, 2006

A technical report was prepared for the Company and has recommended the following exploration program and budget for the Utah Clipper Property.

Recommended Exploration:

1. Interpretation of the magnetic and CSAMT results by a professional, exploration-oriented geophysicist.
2. Gravity surveys and interpretation of results by a professional geophysicist.
3. Geological and alteration mapping in the areas not covered by the Uranerz mapping program.
4. Prospecting explicitly for igneous rocks, especially felsic dykes and lamprophyre.
5. CO₂/O₂ soil gas surveys.
6. Mercury vapor surveys at a 100m (300 ft) spacing.
7. Natural source magneto-telluric (MT) surveys and interpretation of results by a professional geophysicist.
8. Multi-element geochemical sampling over favorable targets emerging from steps 1 to 7. The techniques employed and the media sampled must be adapted to overburden, vegetation, and bedrock conditions in the survey area.
9. GIS synthesis of results, revised structural interpretations, and drill target generation.
10. Deep drilling of at least 3 angle holes into lower plate rocks on targets developed during the foregoing program.

The following table provides a breakdown of the estimated costs of the recommended exploration program:

Expense Items	Cost (US\$)
Travel and accommodation	10,000
Geophysical surveys	100,000
CO ₂ /O ₂ soil gas surveys	30,000
Mercury vapor surveys	20,000
Excavator and bulldozer rental	4,500
Core drilling (3,600 meters at \$200 per meter inclusive)	720,000
Sample analysis and supplies	105,000
Technical personnel	72,000
Supervision, consulting and legal	30,000
GIS, drafting and final reports	12,000
Sub-total	1,103,500
Contingency (10%)	110,350
Reclamation bond	3,000
Total	<u>1,216,850</u>

COLUMBUS GOLD CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE SIX MONTH PERIOD ENDED MARCH 31, 2006

The Golden Mile Property

The Golden Mile Property is a gold-copper property situated in the Bell Mining District in the southern Cedar Mountains, Mineral County, Nevada. The Golden Mile Property consists of 5 patented mineral claims and 19 unpatented contiguous mineral claims with a total area of about 392 acres.

Recommended Exploration:

1. Gravity surveys to help define intrusive and skarn areas, and to help identify structures, especially those beneath overburden and volcanic cover.
2. Magnetic surveys and interpretation of the results to help discriminate intrusive and skarn areas, and to help identify structures.
3. At least 12 angle drill holes to test:
 - (a) northeast, northwest and down-dip extensions of the known mineralization in the main zone;
 - (b) northeast and down-dip extensions of the stockwork/breccia zones;
 - (c) skarn mineralization beneath the ridge east of the main zone;
 - (d) the IP feature at an interpreted depth of 100m; and
 - (e) any significant targets emerging from the recommended geophysical programs or from geological reinterpretations.

Core drilling is recommended to accurately determine structural orientations, bedding orientations, the distribution of gold mineralization, and to improve stratigraphic interpretations.

The following table provides a breakdown of the estimated costs of the recommended exploration:

Expense Items	Cost (US\$)
Travel and accommodation	15,000
Gravity survey	60,000
Magnetic survey	35,000
Excavator/ bulldozer rental (100 hours at \$150 per hour inclusive)	15,000
Core drilling (2,400 meters at \$160 per meter inclusive)	384,000
Sample assay and supplies (3,000 samples)	105,000
Technical personnel	60,000
Supervision, consulting and legal	20,000
Drafting and final reports	15,000
Subtotal	709,000
Contingency (10%)	71,000
Reclamation bond	15,000
Total	795,000

COLUMBUS GOLD CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE SIX MONTH PERIOD ENDED MARCH 31, 2006

In addition to the recommended work program outlined in the Golden Mile technical report, the Company has recently completed a complementary reverse-circulation ("RC") drill program at Golden Mile consisting of 18 to 20 holes at an approximate cost of US\$180,000. Results from this program are expected during the 3rd fiscal quarter. When the results of this program are received and analyzed, they will be used, along with the Golden Mile technical report, to plan any additional exploration on Golden Mile.

Other Properties

The Company has acquired additional properties in Nevada and Arizona, including the Crestview Property, Laura Property, Linka Property, Redbird Property, Clanton Hills Property, Clara Property, Pete's Summit Property, Bolo Property, Guild Property and the Summit Property. Initial exploration work has begun on all of these properties.

Expenditure Summary

	September 30, 2005	Acquisition Cost	Deferred Exploration	Write-down/ Depreciation	March 31, 2006
Golden Mile	\$ 142,109	\$ 52,661	\$ 201,495	\$ -	\$ 396,265
Utah Clipper	568,726	28,863	48,779	-	646,368
Dutch Flat	74,828	6,000	42,229	-	123,057
Chert Cliff	11,698	-	109	-	11,807
Silver District	42,601	-	8,263	-	50,864
Four Metals	41,604	-	(1,055)	-	40,549
Crestview	167,705	-	31,603	-	199,308
Laura	141,887	-	28,272	-	170,159
Linka	18,243	-	52,445	-	70,688
Red Bird	18,139	-	-	(18,139)	-
Clanton Hills	2,367	-	4,842	-	7,209
Clara	39,462	-	23,708	-	63,170
Pete's Summit	21,483	-	21,811	-	43,294
Bolo	-	-	19,073	-	19,073
Guild	-	-	83,114	-	83,114
Summit	-	-	109,919	-	109,919
Total American Properties	\$ 1,290,852	\$ 87,524	\$ 674,607	\$ (18,139)	\$ 2,034,844

All disclosure of scientific or technical information on the Company's mineral properties is based on information prepared by or under the supervision of the Company's Qualified Person, John Prochnau. Mr. Prochnau is a director of the Company.

COLUMBUS GOLD CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE SIX MONTH PERIOD ENDED MARCH 31, 2006

RESULTS OF OPERATIONS

Current Quarter

The Company incurred a \$296,469 loss during the current quarter versus a \$244,672 loss in the same period last year. This amounts to a \$51,797 (21%) increase over the prior period which can be attributed to an increase in virtually all expenditure categories, especially general exploration costs. Additionally, the Company reported a mineral property write-down after management decided to abandon the Redbird Property. These increased costs were partially offset by a significant reduction in consulting fees which, in the prior year, consisted mainly of non-recurring restructuring fees incurred during the Company's share consolidation, name change and corporate reorganization.

Year-to-Date

The Company incurred a \$512,051 loss during the current period versus a \$327,891 loss in the same period last year. This amounts to a \$184,160 (56%) increase over the prior period which can be attributed mainly to general exploration costs incurred in investigating potential mineral property acquisition targets, the Redbird property write-off, and increased corporate administration fees and increased administrative overhead due to public company requirements. The increase was partially offset by a significant reduction in non-recurring consulting fees associated with the Company's corporate reorganization in December 2004.

SELECTED FINANCIAL DATA

	Mar. 31, 2005	Dec. 31, 2005	Sept. 30, 2005	Jun. 30, 2005	Mar. 31, 2005	Dec. 31, 2004	Sept. 30, 2004	Jun. 30, 2004
Financial results:								
Net loss for period	296,469	215,582	254,286	328,555	244,672	83,219	260,406	126,154
Basic and diluted loss per share	0.02	0.02	0.01	0.03	0.03	0.01	0.04	0.02
Expenditures on resource properties	410,905	333,087	677,583	(31,319)	131,772	41,487	76,139	29,510
Balance sheet data:								
Cash and short term deposits	459,893	1,141,644	1,526,061	2,266,186	2,776,871	1,267,794	327,230	7,301
Resource properties	2,034,844	1,623,939	1,290,852	613,269	644,588	512,816	471,329	395,190
Total assets	2,670,829	2,957,495	3,100,833	3,015,796	3,459,760	1,812,349	839,831	474,780
Shareholders' equity	2,619,357	2,915,826	3,035,408	2,950,274	3,275,646	1,651,824	2,950,274	426,610

COLUMBUS GOLD CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE SIX MONTH PERIOD ENDED MARCH 31, 2006

LIQUIDITY

The Company does not currently own or have an interest in any producing mineral properties and does not derive any revenues from operations. The Company's activities have been funded through equity financing and the Company expects that it will continue to be able to utilize this source of financing until it develops cash flow from operations. The Company has been successful in its fund raising efforts in the past, but there can be no assurance that the Company will continue to be successful in the future. If such funds are not available or other sources of finance cannot be obtained, then the Company will be forced to curtail its activities to a level for which funding is available and can be obtained.

During the period, the Company's working capital position decreased to \$453,393 which included a cash balance of \$221,893 and a liquid term deposit of \$238,000. At September 30, 2005, the Company had a working capital balance of \$1,568,717 which included a cash balance of \$186,061 and a liquid term deposit of \$1,340,000.

The Company experienced a cash outflow from operations of \$444,373 and invested \$741,131 into exploration of its mineral properties. As at March 31, 2006, the Company had total assets of \$2,670,829, and the principal non-cash assets of the Company were its mineral exploration properties in Nevada and Arizona, with a carrying value of \$2,034,844 representing 76% of total assets.

The Company had no long term debt at the end of the period.

CAPITAL RESOURCES

During the period, the Company issued 150,000 Common Shares on the exercise of share purchase warrants at \$0.50 per share for gross proceeds of \$75,000.

The Company issued 75,000 common shares at an agreed value of \$0.20 per share in accordance with a mineral property agreement. Further, the Company issued 20,000 common shares at an agreed value of \$0.30 per share in accordance with a mineral property agreement.

In order to generate additional investment capital and to strengthen the Company's cash position, Global Securities Corporation (the "Agent") was engaged to act as agent on the Company's IPO. Subsequent to the end of the period, the Company completed its IPO by issuing 5,882,352 units ("Units") at \$0.85 per Unit (the "Offering") for gross proceeds of \$5,000,000. Each Unit consisted of one common share and one share purchase warrant exercisable into one additional common share at a price of \$1.25 for a period of eighteen months from the date of closing of the Offering. In connection with the Offering, the Agent was paid a cash commission of \$284,568, a \$25,000 corporate finance fee and received 334,785 Agent's Warrants exercisable at \$1.25 for a period of eighteen months from the closing of the Offering.

COLUMBUS GOLD CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE SIX MONTH PERIOD ENDED MARCH 31, 2006

COMMITMENTS

In January 2006, the Company entered into a new exclusive two year agreement with Cordex, a company that shares an officer in common with Columbus Gold (U.S.) Corporation, 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 current portfolio of mineral properties. The Company has agreed that Cordex will be provided general operating costs, exclusive of third party contractor expenses, of US\$34,500 per month which is inclusive of a management fee to Cordex of US\$12,500 per month.

Further, Cordex will receive a 2% NSR on any claims that they stake on behalf of the Company. For claims or mineral rights acquired from third parties, which include an existing royalty, 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% nor greater than 2%.

All properties acquired by the Company within two miles of a claim generated by Cordex will fall under the area of influence and become subject to this agreement.

OUTSTANDING SHARE DATA

- a) Authorized Share capital: unlimited common shares without par value
- b) Issued and Outstanding:

	Number of Shares	Amount
Balance – September 30, 2005	13,817,004	\$ 4,562,315
Exercise of warrants	150,000	75,000
Issued in exchange for mineral properties	95,000	21,000
Balance – March 31, 2006	14,062,004	4,658,315
Initial Public Offering	5,882,352	5,000,000
Less: Share issuance costs	-	(468,837)
Balance – May 25, 2006	19,944,356	\$ 9,189,478

COLUMBUS GOLD CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE SIX MONTH PERIOD ENDED MARCH 31, 2006

Options

A summary of stock options outstanding at May 25, 2006 is as follows:

Expiry Date	Number of Shares	Weighted Average Exercise Price
May 24, 2011	1,990,000	\$0.85
Total	1,990,000	\$0.85

Warrants

A summary of warrants outstanding at May 25, 2006 is as follows:

Expiry Date	Number of Shares	Weighted Average Exercise Price
November 23, 2007	5,882,352	\$1.25
November 23, 2007 **	334,785	1.25
Total	6,217,137	\$1.25

** Agents warrants issued in connection with the IPO.

RELATED PARTY TRANSACTIONS

The following are related party transactions for the six month period ended March 31, 2006:

- The Company incurred \$30,000 in management fees to an Officer.
- The Company incurred \$121,131 in consulting fees to a Director, a company controlled by a Director and a company controlled by an Officer of Columbus Gold (U.S.) Corp.
- The Company incurred \$24,000 in Director fees.
- The Company incurred \$58,287 in corporate administration fees to a company controlled by an officer and a Company that shares two common Directors.

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.

COLUMBUS GOLD CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE SIX MONTH PERIOD ENDED MARCH 31, 2006

SUBSEQUENT EVENTS

Subsequent to the end of the period, the Company:

- a) Completed its IPO on the TSX-V by issuing 5,882,352 units (the "Units") at a price of \$0.85 per Unit (the "Offering") for total gross proceeds of \$5,000,000. Each Unit consisted of one common share of the Company and one share purchase warrant. Each share purchase warrant will entitle the holder to acquire one additional common share at an exercise price of \$1.25 per share for a period of eighteen months from the closing of the Offering. Global Securities Corporation (the "Agent") was paid a cash commission of \$284,568, a \$25,000 corporate finance fee and received 334,785 Agent's Warrants exercisable at \$1.25 for a period of eighteen months from the closing of the Offering. Additionally, a cash commission of \$45,607 was paid in third party finder's fees.
- b) Entered into a services agreement, effective February 1, 2006, with HRG Management Ltd. ("HRG") in which the Company will pay a monthly corporate administration fee of \$10,381 which includes office administration, accounting, corporate secretarial, chief financial officer, investor relations and other related services. HRG is a captive management company jointly owned by the Company and certain other public companies, all of which share office space. The Company shares two common directors with HRG.
- c) Granted 375,000 incentive stock options exercisable at \$0.85 per share to employees and consultants. Certain of the options have vesting schedules and all expire five years from the date the Company obtained its TSX-V listing.
- d) Entered into two agreements with Black Pearl Minerals Consolidated Inc. ("Black Pearl"), a publicly traded company on the TSX-V, for the sale of the Four Metals Property. Subject to pre-existing underlying royalties and a 1.5% NSR to the Company on certain claims that comprise the Four Metals Property, the Company has agreed to sell all of its interest in exchange for aggregate consideration of US\$300,000 cash and 600,000 common shares of Black Pearl, payable over four years.
- e) Entered into an agreement on April 11, 2006 with Platte River Gold Inc. ("Platte River" or the "lessee") whereby Platte River has leased the Chert Cliff Property for a term of 20 years to conduct exploration and development activities. The lease is renewable for an additional and successive term of twenty years provided the lessee is engaged in active exploration and development and the required lease payments are double that of the first 20 year term. These claims are subject to royalties of 2% to 3%, and the required annual lease payments begin with US\$5,000 (paid) due upon execution of the agreement and increase incrementally to US\$8,500 by the 20th anniversary date. Additionally, the Company will receive a total of US\$100,000 in common shares of the lessee within 24 months of the date of the agreement. Finally, Platte River is required to expend a minimum of US\$75,000 on exploration within 18 months and an additional US\$200,000 within 36 months of effective date of the agreement.

COLUMBUS GOLD CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE SIX MONTH PERIOD ENDED MARCH 31, 2006

- f) Entered into a management services agreement with a company controlled by an officer. The Company will pay a monthly fee of \$5,000 for a term of one year.

FINANCIAL AND OTHER INSTRUMENTS

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgement, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

The carrying value of cash and cash equivalents, receivables, accounts payable and accrued liabilities approximate their fair value because of the short-term nature of those instruments.

CRITICAL ACCOUNTING ESTIMATES

The preparation of financial statements requires the Company 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 Company'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 Company'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 Company 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.

CHANGES IN ACCOUNTING POLICIES

The Company did not implement any accounting policy changes during the period.

COLUMBUS GOLD CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE SIX MONTH PERIOD ENDED MARCH 31, 2006

RISKS AND UNCERTAINTIES

The Company 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. Some of the possible risks include the following:

- a) The industry is capital intensive and subject to fluctuations in metal prices, market sentiment, foreign exchange and interest rates.
- b) The only source of future funds for further exploration programs, or if such exploration programs are successful for the development of economic ore bodies and commencement of commercial production thereon, which are presently available to the Company are the sale of equity capital or the offering by the Company of an interest in its properties to be earned by another party carrying out further exploration or development. Management has been successful in accessing the equity markets in the past, but there is no assurance that such sources will be available on acceptable terms in the future.
- c) Any future equity financings by the Company for the purpose of raising additional capital may result in substantial dilution to the holdings of existing shareholders.
- d) The Company must comply with environmental regulations governing air and water quality and land disturbance and provide for mine reclamation and closure costs.
- e) The operations of the Company will require various licenses and permits from various governmental authorities. There is no assurance that the Company will be successful in obtaining the necessary licenses and permits to continue its exploration and development activities in the future.
- f) There is no certainty that the properties which the Company has deferred as assets on its consolidated balance sheet will be realized at the amounts recorded. These amounts should not be taken to reflect realizable value.

Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, then actual results may vary materially from those described on forward-looking statements. The Company has not completed a feasibility study on any of its properties to determine if it hosts a mineral resource that can be economically developed and profitably mined.

OFF-BALANCE SHEET ARRANGEMENTS

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

COLUMBUS GOLD CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE SIX MONTH PERIOD ENDED MARCH 31, 2006

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The information provided in this report, including the 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.

Management maintains a system of internal controls to provide reasonable assurance that the Company's assets are safeguarded and to facilitate the preparation of relevant and timely information.

CAUTION REGARDING FORWARD LOOKING STATEMENTS

Except for historical information contained in this discussion and analysis, disclosure statements contained herein are forward-looking. Forward-looking statements are subject to risks and uncertainties, which could cause actual results to differ materially from those in such forward-looking statements. Forward-looking statements are made based on management's beliefs, estimates and opinions on the date the statements are made and the Company undertakes no obligation to update forward-looking statements if these beliefs, estimates and opinions or other circumstances should change. Investors are cautioned against attributing undue certainty to forward-looking statements.

OTHER INFORMATION

Additional information is available on the Company's website at www.columbusgoldcorp.com or on SEDAR at www.sedar.com.

COLUMBUS GOLD CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE SIX MONTH PERIOD ENDED MARCH 31, 2006

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