

ANDINA MINERALS INC.

(An Exploration Stage Company)

Interim Consolidated Financial Statements
For The Three and Nine Months Ended

September 30, 2010

(Unaudited)

CONSOLIDATED BALANCE SHEETS

As at September 30, 2010 and December 31, 2009
(Unaudited and expressed in US dollars)

As at	September 30, 2010	December 31, 2009
ASSETS		
Current Assets		
Cash	\$ 31,415,015	\$ 43,893,941
Marketable securities (note 3)	350,050	149,861
Accounts receivable and prepaid expenses	112,082	194,376
	31,877,147	44,238,178
Mineral properties (notes 4 and 5)	76,613,045	66,260,282
Property, Plant and Equipment (note 6)	88,183	70,785
Intangible Assets (note 7)	26,582,786	26,582,786
	\$ 135,161,161	\$ 137,152,031
LIABILITIES		
Current Liabilities		
Accounts payable and accrued liabilities	\$ 1,365,648	\$ 3,350,969
Common Shares to be Issued (note 4)	-	1,500,000
	1,365,648	4,850,969
SHAREHOLDERS' EQUITY		
Share Capital (note 8(a))	130,525,680	128,687,651
Warrants (note 8(b))	7,920,253	7,920,578
Contributed Surplus (note 8(c))	8,007,750	7,200,720
Deficit	(12,658,170)	(11,507,887)
	133,795,513	132,301,062
	\$ 135,161,161	\$ 137,152,031

Going Concern (note 1)

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

CONSOLIDATED STATEMENTS OF INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS)

For the three and nine month periods ended September 30, 2010 and 2009
(Unaudited and expressed in US dollars)

	Three months ended September 30,		Nine months ended September 30,		Cumulative since inception
	2010	2009	2010	2009	
Expenses					
Salaries, benefits and director fees	\$ 193,979	\$ 254,707	\$ 675,721	\$ 1,329,934	\$ 4,110,218
General and administrative	64,041	140,315	296,545	244,795	1,419,941
Travel	60,338	82,012	195,605	224,842	845,799
Regulatory and shareholder information	35,475	15,191	219,957	182,239	1,161,758
Legal and audit	34,378	73,270	122,147	169,075	848,484
Consulting fees	31,193	65,124	135,536	156,841	998,011
Amortization	7,399	2,972	21,815	6,145	92,612
Stock-based compensation (notes 8(c))	121,663	144,736	725,511	625,222	4,349,468
Mineral properties written off	-	-	-	-	4,991,556
	548,466	778,327	2,392,837	2,939,093	18,817,847
Other income (expense)					
Foreign exchange gain	1,017,995	1,411,133	897,923	1,256,980	2,420,132
Interest income	37,683	9,079	81,372	36,734	2,312,552
Gain on sale of other mineral properties	-	-	95,332	-	95,332
Unrealized gain (loss) on marketable securities held for trading (note 3)	169,783	(15,786)	167,927	(8,657)	61,194
	1,225,461	1,404,426	1,242,554	1,285,057	4,889,210
Income (loss) before income taxes	676,995	626,099	(1,150,283)	(1,654,036)	(13,928,637)
Future income tax recovery	-	-	-	-	1,270,467
Net income (loss) and comprehensive income (loss) for the period	\$ 676,995	\$ 626,099	\$ (1,150,283)	\$ (1,654,036)	\$ (12,658,170)
Deficit, beginning of period	(13,335,165)	(12,061,457)	(11,507,887)	(9,781,322)	-
Deficit, end of period	\$ (12,658,170)	\$ (11,435,358)	\$ (12,658,170)	\$ (11,435,358)	\$ (12,658,170)
Net income (loss) per share (note 9):					
Basic and fully diluted	\$ 0.01	\$ 0.01	\$ (0.01)	\$ (0.02)	

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

CONSOLIDATED STATEMENTS OF CASH FLOWS

For the three and nine month periods ended September 30, 2010 and 2009

(Unaudited and expressed in US dollars)

	Three months ended September 30,		Nine months ended September 30,		Cumulative since inception
	2010	2009	2010	2009	
Cash provided by (used in)					
Operations					
Net income (loss) for the period	\$ 676,995	\$ 626,099	\$ (1,150,283)	\$ (1,654,036)	\$(12,658,170)
Items not involving cash:					
Amortization	7,399	2,972	21,815	6,145	92,612
Mineral properties written off	-	-	-	-	4,991,556
Gain on sale of other mineral properties	-	-	(95,332)	-	(95,332)
Unrealized gain on foreign exchange	(415,853)	(1,481,765)	(337,762)	(1,459,578)	(337,762)
Unrealized loss (gain) on marketable securities held for trading (note 3)	(169,783)	15,786	(167,927)	8,657	(61,194)
Stock-based compensation (notes 8(c) and 10)	121,663	144,736	725,511	625,222	4,349,468
Future income tax recovery	-	-	-	-	(1,270,467)
Change in non-cash working capital:					
Accounts receivable and prepaid expenses	681	(19,883)	82,294	183,492	(71,310)
Accounts payable and accrued liabilities	76,925	(292,832)	(380,882)	123,379	736,594
	298,027	(1,004,887)	(1,302,566)	(2,166,719)	(4,324,005)
Investing					
Mineral properties (note 4)	(2,545,631)	(1,513,862)	(11,797,008)	(6,525,965)	(59,261,365)
Option payments received and acquisition costs	-	-	-	-	(9,006,508)
Proceeds on sale of other mineral properties	-	-	63,070	-	63,070
Property, plant and equipment	-	(24,768)	(46,959)	(40,511)	(327,814)
Cash acquired on reverse takeover (note 1)	-	-	-	-	271,547
	(2,545,631)	(1,538,630)	(11,780,897)	(6,566,476)	(68,261,070)
Financing					
Issuance of common shares and warrants for cash	-	-	-	12,622,581	79,136,305
Exercise of warrants (note 8(b))	-	-	650	-	22,028,166
Exercise of stock options	170,848	79,579	266,125	437,155	2,353,503
Loans	-	-	-	-	144,354
	170,848	79,579	266,775	13,059,736	103,662,328
Change in cash	(2,076,756)	(2,463,938)	(12,816,688)	4,326,541	31,077,253
Unrealized foreign exchange gain on cash	415,853	1,481,765	337,762	1,459,578	337,762
Cash, beginning of period	33,075,918	22,577,575	43,893,941	15,809,283	-
Cash, end of period	\$31,415,015	\$21,595,402	\$31,415,015	\$21,595,402	\$ 31,415,015

Supplementary Cash Flow Information (note 10)

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

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and nine month periods ended September 30, 2010 and 2009
(Unaudited and in US dollars, unless otherwise stated)

1. NATURE OF OPERATIONS AND GOING CONCERN BASIS OF ACCOUNTING

Andina Minerals Inc. (the "Company") was incorporated on January 23, 2001 under the Business Corporations Act (Alberta) as CastleRock Capital Inc. ("Castlerock"). Effective December 31, 2004, Castlerock acquired all the outstanding shares of Andina Minerals Inc. ("Holdings") in a reverse takeover transaction. In conjunction with the acquisition of Holdings, Castlerock changed its name to Andina Minerals Inc. and Holdings changed its name to Andina Holdings Inc.

The Company is engaged in the business of acquiring, exploring and developing gold properties, with interests primarily in Chile. To date the Company has not earned any revenue and is considered to be in the exploration stage and has started development planning on its Volcan property in Chile.

These financial statements have been prepared using Canadian general accepted accounting principles ("Canadian GAAP") applicable to a going concern, which assumes continuity of operations and realization of assets and settlement of liabilities in the normal course of business for the foreseeable future, which is at least, but not limited to, one year from September 30, 2010. The Company is however in the exploration stage and is subject to risks and challenges similar to companies in a comparable stage of development. These risks include the challenges of securing adequate capital for exploration and development, operational risks inherent in the mining industry and global economic and gold price volatility. As a result of these circumstances, there is significant doubt as to the appropriateness of the going concern assumption. There is no assurance that the Company's funding initiatives will continue to be successful and these financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and balance sheet classifications that would be necessary were the going concern assumption inappropriate. These adjustments could be material.

The recoverability of the amounts shown for mineral properties is dependent upon the ability of the Company to obtain the necessary financing to complete exploration and development and upon future profitable production or proceeds from the disposition of properties. The Company will need to raise additional funds to complete the development phase of its programs and, while it has been successful in doing so in the past, there can be no assurance that it will be able to do so in the future.

The accompanying unaudited interim consolidated financial statements of the Company have been prepared in accordance with Canadian GAAP. These unaudited interim consolidated financial statements do not include all of the disclosures required for annual financial statements and therefore should be read in conjunction with the Company's consolidated financial statements and notes thereto for the year ended December 31, 2009. These unaudited interim consolidated financial statements follow the same significant accounting policies and methods of application as those included in the Company's most recent annual consolidated financial statements, except as described in note 2.

2. NEW ACCOUNTING POLICIES AND FUTURE ACCOUNTING PRONOUNCEMENTS

a) New Accounting Policies

The Company has not adopted any new accounting standards during the current period.

b) Future Accounting Pronouncements

Sections 1582 - Business Combinations, 1601 - Consolidated Financial Statements, and 1602 - Non-Controlling Interest

In January 2009, the CICA issued Section 1582, Business Combinations, Section 1601, Consolidated Financial Statements, and Section 1602, Non-Controlling Interests. These sections replace the former Section 1581, Business Combinations, and Section 1600, Consolidated Financial Statements.

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and nine month periods ended September 30, 2010 and 2009
(Unaudited and in US dollars, unless otherwise stated)

2. NEW ACCOUNTING POLICIES AND FUTURE ACCOUNTING PRONOUNCEMENTS (continued)

b) Future Accounting Pronouncements (continued)

Sections 1582 and 1602 will require net assets, non-controlling interests and goodwill acquired in a business combination to be recorded at fair value and non-controlling interests will be reported as a component of equity. In addition, the definition of a business is expanded and is described as an integrated set of activities and assets that are capable of being managed to provide a return to investors or economic benefits to owners. Acquisition costs are not part of the consideration and are to be expensed when incurred. Section 1601 establishes standards for the preparation of consolidated financial statements.

These new sections apply to interim and annual 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.

3. MARKETABLE SECURITIES

	September 30, 2010		December 31, 2009	
	Fair value	Cost	Fair value	Cost
Marketable securities - held for trading (note 4)	\$ 350,050	\$ 288,856	\$ 149,861	\$ 256,594

4. MINERAL PROPERTIES

All of the Company's mineral properties are located in Chile, except for the Quitovac property, which is located in Mexico.

On January 13, 2010, the Company completed a pre-existing agreement with Copper Ridge Explorations Inc. ("Copper Ridge") to sell its interest in the Quitovac property in Sonora, Mexico. Terms of the agreement were CDN\$65,000 cash (\$63,070) and 95,000 common shares of Copper Ridge (note 3), for total consideration of \$95,332. If the Quitovac property is placed into production, Copper Ridge will pay an additional CDN\$500,000 and issue an additional 35,000 common shares.

On May 20, 2009, the Company acquired mineral concessions surrounding its Volcan property in Region III, Chile, from Barrick Gold Corporation ("Barrick") for consideration of \$4,160,400 paid through the issuance of 2,000,000 common shares valued at \$2,660,400, and a second installment of common shares worth \$1,500,000 payable one year from closing, determined using the weighted average trading price of Andina common shares in the 20 trading days leading up to and ending on the trading day immediately prior to the one-year anniversary from closing, and a net smelter return royalty of 1.5% on any metals produced from the property should they be developed.

During the second quarter of 2010, the Company paid the second installment for the concession acquisition by issuing to Barrick 1,408,980 common shares worth \$1,500,000.

Property	Balance December 31, 2009	Exploration costs	Development planning costs	Balance September 30, 2010
Encrucijada	\$ 772,322	\$ -	\$ -	\$ 772,322
Pampa Buenos Aires ("PBA")	1,484,532	58,142	-	\$ 1,542,674
Volcan	64,003,428	8,264,317	2,030,304	\$ 74,298,049
	\$ 66,260,282	\$ 8,322,459	\$ 2,030,304	\$ 76,613,045

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and nine month periods ended September 30, 2010 and 2009
(Unaudited and in US dollars, unless otherwise stated)

4. MINERAL PROPERTIES (continued)

Exploration costs on the Chilean minerals properties are comprised as follows:

Exploration Costs For The Nine Months Ended September 30, 2010								
Property	Drilling	Exploration staff	Trenching	Value added tax	Assaying	Field costs	Other	Total
Encrucijada	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
PBA	-	15,000	-	-	-	-	43,142	58,142
Volcan	1,415,268	2,101,178	580,923	1,215,426	361,975	1,261,739	1,327,808	8,264,317
	\$ 1,415,268	\$ 2,116,178	\$ 580,923	\$ 1,215,426	\$ 361,975	\$ 1,261,739	\$ 1,370,950	\$ 8,322,459

5. MINERAL PROPERTY COMMITMENTS

With respect to the Volcan property, there is no payment or royalty payable on the first 2 million ounces of gold produced from the property. A payment of \$5 per ounce is due on any mined ounces of gold between 2 million and 4 million ounces. A net smelter return royalty of 1.0% is payable on production exceeding 4 million ounces of gold. A net smelter return royalty of 1.5% is also payable on any metals produced from the mineral concessions acquired from Barrick Gold Corporation should they be developed (*note 4*). None of the Company's other properties have any payments or royalties payable on them.

None of the Company's properties have exploration expenditure commitments.

6. PROPERTY, PLANT AND EQUIPMENT

	September 30, 2010			December 31, 2009		
	Cost	Accumulated amortization	Net	Cost	Accumulated amortization	Net
Office equipment	\$ 136,485	\$ 48,302	\$ 88,183	\$ 97,272	\$ 26,487	\$ 70,785

7. INTANGIBLE ASSETS

	September 30, 2010	December 31, 2009
	Cost and Net	Cost and Net
Water rights	\$ 26,582,786	\$ 26,582,786

During 2008, the Company acquired 340 litres per second of water rights, having a sustainable draw rate of 247 litres per second in two wells located approximately 21 kilometres from the Dorado deposits and approximately 10 kilometres east of the northern corner of the Volcan concessions. The water rights were acquired by issuing a private Chilean company 6,700,000 common shares valued at \$26,582,786.

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and nine month periods ended September 30, 2010 and 2009
(Unaudited and in US dollars, unless otherwise stated)

8. SHARE CAPITAL

(a) Common Shares

Authorized Capital - Unlimited common shares and unlimited preferred shares, issuable in series.

Issued

	Number of shares	Capital Stock
Balance - December 31, 2008	79,376,907	\$ 94,479,486
Shares issued to Barrick Gold Corporation for land acquisition (note 4)	2,000,000	2,623,701
Bought deal private placement	10,350,000	12,659,280
Bought deal private placement	14,375,000	25,441,507
Issuance of 2009 broker warrants	-	(224,144)
Issuance of 2009 warrants	-	(7,696,434)
Exercise of stock options	1,373,750	1,404,255
Balance - December 31, 2009	107,475,657	\$ 128,687,651
Exercise of 2009 broker warrants	450	975
Exercise of stock options	384,000	337,054
Shares issued to Barrick Gold Corporation for land acquisition (note 4)	1,408,980	1,500,000
Balance - September 30, 2010	109,269,087	\$ 130,525,680

On June 16, 2009, the Company completed an agreement with a syndicate of underwriters under which the underwriters bought on a private placement, bought deal basis, 10,350,000 common shares at a price of CDN\$1.50 per common share for gross proceeds of CDN\$15,525,000 (\$13,683,735). The underwriters received a total cash commission equal to 6.0% of the gross proceeds of the offering and broker warrants to purchase up to 310,500 common shares at a price of CDN\$1.50, exercisable until June 16, 2011. The Company also incurred \$203,431 of other cash share issuance costs in relation to the transaction.

As at September 30, 2010, 310,050 of the June 16, 2009 broker warrants remain outstanding.

On December 2, 2009, the Company completed an agreement with a syndicate of underwriters under which the underwriters bought on a private placement, bought deal basis, 12,500,000 units at a price of CDN\$2.00 for gross proceeds of CDN\$25,000,000 (\$23,805,000). Each unit consisted of one common share and one common share purchase warrant. The offering allowed the underwriters to acquire up to an additional 15% or 1,875,000 units at a price of CDN\$2.00 per unit for 30 days after the close of the private placement. On December 10, 2009, the underwriters purchased 1,875,000 units under the over-allotment option for gross proceeds of CDN\$3,750,000 (\$3,570,000). The underwriters received total cash commission equal to 6.0% of the gross proceeds of the offering. The Company also incurred \$290,993 of other cash share issuance costs in relation to the transaction. The net proceeds of the financing of \$25,441,507 were allocated \$17,745,072 as to the common shares and \$7,696,434 as to the warrants.

Each of the 14,375,000 whole warrants issued in connection with the brokered private placement which closed on December 2, 2009 (including those issued in connection with the over-allotment option) entitles the holder to purchase one additional common share at a price of CDN\$2.25 until June 2, 2012.

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and nine month periods ended September 30, 2010 and 2009
(Unaudited and in US dollars, unless otherwise stated)

8. SHARE CAPITAL (continued)

(b) Warrants

	Number of warrants	Number of broker warrants	Warrants
Balance - December 31, 2008	3,677,500	182,400	\$ 3,929,021
Issuance of 2009 broker warrants	-	310,500	224,144
Issuance of 2009 warrants	14,375,000	-	7,696,434
Expiry of 2007 warrants	(3,677,500)	-	(3,543,049)
Expiry of 2007 broker warrants	-	(182,400)	(385,972)
Balance - December 31, 2009	14,375,000	310,500	\$ 7,920,578
Exercise of 2009 broker warrants	-	(450)	(325)
Balance - September 30, 2010	14,375,000	310,050	\$ 7,920,253

(c) Contributed Surplus and Stock Options

Contributed Surplus

	Contributed Surplus
Balance - December 31, 2008	\$ 3,330,110
Stock-based compensation	1,005,692
Exercise of stock options	(415,815)
Expiry of 2007 warrants	3,543,049
Expiry of 2007 broker warrants	385,972
Future tax expense	(648,288)
Balance - December 31, 2009	\$ 7,200,720
Stock-based compensation (note 10)	877,959
Exercise of stock options	(70,929)
Balance - September 30, 2010	\$ 8,007,750

The Company maintains a Stock Option Plan (the "Plan"), under the Plan, stock options may be granted to the Company's directors, senior officers, employees, consultants and consultant companies. The Plan: (i) provides that the number of common shares reserved for issuance, within a one year period, to any one optionee, shall not exceed 5% of the outstanding common shares; (ii) provides the maximum number of common shares reserved for issuance pursuant to options granted may not exceed 10% of the issued common shares; (iii) generally provides for a maximum vesting period of 18 months; and (iv) contains other provisions to ensure the stock option plan is compliant with stock exchange regulations.

As at September 30, 2010, the Company had granted 6,525,375 stock options and was authorized to grant an additional 4,401,534 stock options under the Plan. A summary of the stock option activity for the nine months ended September 30, 2010 is as follows:

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and nine month periods ended September 30, 2010 and 2009
(Unaudited and in US dollars, unless otherwise stated)

8. SHARE CAPITAL (continued)

(c) Contributed Surplus and Stock Options (continued)

Stock Options

	Number of options	Weighted average exercise price (CDN\$)
Balance - December 31, 2008	5,550,000	\$ 1.64
Granted	2,060,000	1.38
Exercised	(1,373,750)	0.80
Expired	(7,500)	1.50
Forfeited	(375,625)	1.72
Balance - December 31, 2009	5,853,125	\$ 1.74
Granted	1,830,000	1.19
Exercised	(384,000)	0.70
Expired	(627,500)	2.77
Forfeited	(146,250)	1.29
Balance - September 30, 2010	6,525,375	\$ 1.56

The unamortized stock option expense related to the grant of the options listed above at September 30, 2010 was \$399,173.

During the nine months ended September 30, 2010, the following stock options were issued and valued using the Black-Scholes option pricing model parameters listed below (in each case with no dividends):

Granted in 2010	Number of options	Exercise price (CDN\$)	Grant date stock price (CDN\$)	Black-Scholes Option Pricing Parameters		
				Risk-free interest rate	Expected life (years)	Volatility factor
March 11	1,665,000	\$ 1.20	\$ 1.20	1.19%	2.5	80%
June 4	150,000	\$ 1.08	\$ 1.08	1.44%	2.5	80%
August 3	15,000	\$ 1.20	\$ 1.20	1.55%	2.5	79%
	1,830,000					

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and nine month periods ended September 30, 2010 and 2009
(Unaudited and in US dollars, unless otherwise stated)

8. SHARE CAPITAL (continued)

(c) Contributed Surplus and Stock Options (continued)

A summary of the Company's stock options at September 30, 2010 is presented below:

Issue date	Options outstanding	Options vested	Exercise price (CDN\$)	Weighted average remaining life (Years)
April 18, 2006	1,171,000	1,171,000	\$ 1.35	0.55
January 16, 2007	25,000	25,000	\$ 3.00	1.30
May 9, 2007	495,000	495,000	\$ 3.25	1.61
November 29, 2007	75,000	75,000	\$ 4.60	2.16
February 29, 2008	75,000	75,000	\$ 4.30	2.42
October 8, 2008	951,875	951,875	\$ 1.50	2.65
January 5, 2009	1,000,000	1,000,000	\$ 1.08	3.27
February 18, 2009	200,000	200,000	\$ 1.80	3.39
February 27, 2009	500,000	500,000	\$ 1.70	3.41
March 12, 2009	250,000	250,000	\$ 1.52	3.45
March 27, 2009	15,000	15,000	\$ 1.75	3.49
August 12, 2009	40,000	40,000	\$ 1.50	3.87
March 11, 2010	1,562,500	877,500	\$ 1.20	4.20
June 4, 2010	150,000	37,500	\$ 1.08	4.68
August 3, 2010	15,000	3,750	\$ 1.20	4.84
	6,525,375	5,716,625		

The weighted average exercise price of these options were CDN\$1.56 for options outstanding and CDN\$1.61 for options vested. The weighted average remaining contractual life of outstanding options is 2.82 years.

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and nine month periods ended September 30, 2010 and 2009
(Unaudited and in US dollars, unless otherwise stated)

9. INCOME (LOSS) PER SHARE

Income (loss) per share has been calculated using the weighted average number of shares outstanding during the three and nine months ended September 30, 2010 and 2009 as follows:

	Three months ended September 30,		Nine months ended September 30,	
	2010	2009	2010	2009
Income (loss) for the period	\$ 676,995	\$ 626,099	\$ (1,150,283)	\$ (1,654,036)
Basic weighted average number of shares outstanding during the period	109,125,880	92,353,683	108,253,657	84,920,190
Basic earnings (loss) per share	0.01	0.01	(0.01)	(0.02)
Fully diluted weighted average number of shares outstanding during the period	109,448,850	93,150,639	108,253,657	84,920,190
Fully diluted earnings (loss) per share	\$ 0.01	\$ 0.01	\$ (0.01)	\$ (0.02)

Fully diluted weighted average common shares outstanding for the nine months ended September 30, 2010 and 2009 exclude the outstanding stock options and warrants as they are anti-dilutive to the net loss per share calculation.

10. SUPPLEMENTAL CASH FLOW INFORMATION

Supplemental information with respect to the consolidated statements of cash flows is as follows:

	Three months ended September 30,		Nine months ended September 30,	
	2010	2009	2010	2009
Interest received during the year	\$ 37,683	\$ 9,079	\$ 81,372	\$ 36,734

Non-cash investing and financing activities include the following:

	Three months ended September 30,		Nine months ended September 30,	
	2010	2009	2010	2009
Marketable securities acquired as property payment for Quitovac (notes 3 and 4)	\$ -	\$ -	\$ 32,262	\$ -
Shares issued for mineral concessions (note 4)	\$ -	\$ -	\$ -	\$ 4,160,400
Stock-based compensation included in mineral properties	\$ 15,929	\$ 63,167	\$ 152,448	\$ 222,121

11. SEGMENTED INFORMATION

The Company has one operating segment, which is the exploration of mineral properties. The Company's principal operations are carried out in Chile. All of the investment income is earned in Canada. The Company's geographic segments are located as follows:

- (a) the Company's mineral properties in Chile;
- (b) corporate office in Canada.

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and nine month periods ended September 30, 2010 and 2009
(Unaudited and in US dollars, unless otherwise stated)

11. SEGMENTED INFORMATION (continued)

As at and for the three and nine months ended September 30, 2010 and 2009, segmented information is presented as follows:

As at September 30, 2010	Chile	Corporate	Total
Cash	\$ 209,579	\$ 31,205,436	\$ 31,415,015
Other current assets	37,038	425,094	462,132
Mineral properties, intangible assets and property, plant and equipment	100,769,242	2,514,772	103,284,014
Total assets	\$ 101,015,859	\$ 34,145,302	\$ 135,161,161
Liabilities	\$ 997,045	\$ 368,604	\$ 1,365,649

For the three months ended September 30, 2010

Amortization	\$ -	\$ (7,399)	\$ (7,399)
Interest income	-	37,683	37,683
Foreign exchange gain	166,498	851,497	1,017,995
Gain on sales of other mineral properties	-	-	-
Other expenses	-	(371,284)	(371,284)
Net Income	\$ 166,498	\$ 510,497	\$ 676,995
Mineral property expenditures, option payments and acquisition costs	\$ 2,382,671	\$ -	\$ 2,382,671

For the nine months ended September 30, 2010

Amortization	\$ -	\$ (21,815)	\$ (21,815)
Interest income	-	81,372	81,372
Foreign exchange gain	67,512	830,411	897,923
Gain on sales of other mineral properties	-	95,332	95,332
Other expenses	-	(2,203,095)	(2,203,095)
Net Income (loss)	\$ 67,512	\$ (1,217,795)	\$ (1,150,283)
Mineral property expenditures, option payments and acquisition costs	\$ 10,352,764	\$ -	\$ 10,352,764

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and nine month periods ended September 30, 2010 and 2009
(Unaudited and in US dollars, unless otherwise stated)

11. SEGMENTED INFORMATION (continued)

As at September 30, 2009	Chile	Mexico	Corporate	Total
Cash	\$ 681,196	\$ -	\$20,914,206	\$ 21,595,402
Other current assets	33,159	-	193,736	226,895
Mineral properties, intangible assets and property, plant and equipment	85,229,448	-	2,232,611	87,462,059
Total assets	\$85,943,803	\$ -	\$23,340,553	\$ 109,284,356
Current liabilities	\$ 517,182	\$ -	\$ 1,896,436	\$ 2,413,618
For the three months ended September 30, 2009				
Amortization	\$ -	\$ -	\$ (2,972)	\$ (2,972)
Interest income	-	-	9,079	9,079
Foreign exchange gain (loss)	(3,763)	-	1,414,896	1,411,133
Other expenses	-	(68,964)	(722,177)	(791,141)
Net Loss	\$ (3,763)	\$ (68,964)	\$ 698,826	\$ 626,099
Mineral property expenditures, option payments and acquisition costs	\$ 1,605,655	\$ -	\$ 352,623	\$ 1,958,278
For the nine months ended September 30, 2009				
Amortization	\$ -	\$ -	\$ (6,145)	\$ (6,145)
Interest income	-	-	36,734	36,734
Foreign exchange gain (loss)	(29,369)	-	1,286,349	1,256,980
Other expenses	-	(68,964)	(2,872,641)	(2,941,605)
Net Loss	\$ (29,369)	\$ (68,964)	\$ (1,555,703)	\$ (1,654,036)
Mineral property expenditures, option payments and acquisition costs	\$ 10,271,303	\$ -	\$ 757,854	\$ 11,029,157

12. SUBSEQUENT EVENT

Subsequent to September 30, 2010, the Company granted 435,000 stock options at an exercise price of CDN\$1.40 per share.