

ANDINA MINERALS INC.

(An Exploration Stage Company)

Interim Consolidated Financial Statements
For The Three and Six Months Ended

June 30, 2010

(Unaudited)

CONSOLIDATED BALANCE SHEETS

As at June 30, 2010 and December 31, 2009

(Unaudited and expressed in US dollars)

As at	June 30, 2010	December 31, 2009
ASSETS		
Current Assets		
Cash	\$ 33,075,918	\$ 43,893,941
Marketable securities (note 3)	180,267	149,861
Accounts receivable and prepaid expenses	112,763	194,376
	33,368,948	44,238,178
Mineral properties (notes 4 and 5)	74,230,374	66,260,282
Property, Plant and Equipment (note 6)	95,582	70,785
Intangible Assets (note 7)	26,582,786	26,582,786
	\$ 134,277,690	\$ 137,152,031
LIABILITIES		
Current Liabilities		
Accounts payable and accrued liabilities	\$ 1,467,613	\$ 3,350,969
Common Shares To Be Issued (note 4)	-	1,500,000
	1,467,613	4,850,969
SHAREHOLDERS' EQUITY		
Share Capital (note 8(a))	130,310,706	128,687,651
Warrants (note 8(b))	7,920,253	7,920,578
Contributed Surplus (note 8(c))	7,914,283	7,200,720
Deficit	(13,335,165)	(11,507,887)
	132,810,077	132,301,062
	\$ 134,277,690	\$ 137,152,031

Going Concern (note 1)

See accompanying notes to interim consolidated financial statements

CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS

For the three-and-six-month periods ended June 30, 2010 and 2009

(Unaudited and expressed in US dollars)

	Three months ended		Six months ended		Cumulative
	June 30,		June 30,		since
	2010	2009	2010	2009	inception
Expenses					
Salaries, benefits and director fees	\$ 242,910	\$ 422,033	\$ 481,742	\$ 1,075,227	\$ 3,916,239
General and administrative	132,549	41,856	232,504	104,480	1,355,900
Travel	70,268	81,691	135,267	142,830	785,461
Regulatory and shareholder information	113,121	87,728	184,482	153,539	1,126,283
Legal and audit	26,530	61,204	87,769	109,314	814,106
Consulting fees	63,931	40,027	104,343	91,716	966,818
Amortization	7,399	1,870	14,416	3,173	85,213
Stock-based compensation (notes 8(c) and 10)	258,234	160,143	603,848	480,486	4,227,805
Mineral properties written off	-	-	-	-	4,991,556
	914,942	896,552	1,844,371	2,160,766	18,269,381
Other income (expense)					
Foreign exchange gain (loss)	(1,204,250)	135,772	(120,072)	(154,153)	1,402,137
Interest income	20,994	7,911	43,689	27,655	2,274,869
Gain on sale of other mineral properties	-	-	95,332	-	95,332
Unrealized gain (loss) on marketable securities held for trading (note 3)	(18,992)	33,122	(1,856)	7,129	(108,589)
	(1,202,248)	176,805	17,093	(119,369)	3,663,749
Loss before income taxes	(2,117,190)	(719,747)	(1,827,278)	(2,280,135)	(14,605,632)
Future income tax recovery	-	-	-	-	1,270,467
Net loss and comprehensive loss for the period	\$ (2,117,190)	\$ (719,747)	\$ (1,827,278)	\$ (2,280,135)	\$ (13,335,165)
Net loss per share (note 9):					
Basic and fully diluted	\$ (0.02)	\$ (0.01)	\$ (0.02)	\$ (0.03)	

See accompanying notes to interim consolidated financial statements

CONSOLIDATED STATEMENTS OF DEFICIT

For the three-and-six-month periods ended June 30, 2010 and 2009

(Unaudited and expressed in US dollars)

	Three months ended		Six months ended	
	June 30,		June 30,	
	2010	2009	2010	2009
Deficit, beginning of period	\$ (11,217,975)	\$ (11,341,710)	\$ (11,507,887)	\$ (9,781,322)
Loss for the period	(2,117,190)	(719,747)	(1,827,278)	(2,280,135)
Deficit, end of period	\$ (13,335,165)	\$ (12,061,457)	\$ (13,335,165)	\$ (12,061,457)

See accompanying notes to interim consolidated financial statements

CONSOLIDATED STATEMENTS OF CASH FLOWS

For the three-and-six-month periods ended June 30, 2010 and 2009

(Unaudited and expressed in US dollars)

	Three months ended June 30,		Six months ended June 30,		Cumulative since inception
	2010	2009	2010	2009	
Cash provided by (used in)					
Operations					
Net loss for the period	\$ (2,117,190)	\$ (719,747)	\$ (1,827,278)	\$ (2,280,135)	\$ (13,335,165)
Items not involving cash:					
Amortization	7,399	1,870	14,416	3,173	85,213
Mineral properties written off	-	-	-	-	4,991,556
Gain on sale of other mineral properties	-	-	(95,332)	-	(95,332)
Unrealized loss (gain) on foreign exchange	1,156,317	(261,572)	78,091	22,187	78,091
Unrealized loss (gain) on marketable securities held for trading (note 3)	18,992	(33,122)	1,856	(7,129)	108,589
Stock-based compensation (notes 8(c) and 10)	258,234	160,143	603,848	480,486	4,227,805
Future income tax recovery	-	-	-	-	(1,270,467)
Change in non-cash working capital:					
Accounts receivable and prepaid expenses	97,997	403	81,613	203,375	(71,991)
Accounts payable and accrued liabilities	60,808	430,006	(457,807)	416,211	659,669
	(517,443)	(422,019)	(1,600,593)	(1,161,832)	(4,622,032)
Investing					
Mineral properties (note 4)	(3,723,857)	(2,563,281)	(9,251,377)	(5,012,103)	(56,715,734)
Option payments received and acquisition costs	-	-	-	-	(9,006,508)
Proceeds on sale of other mineral properties	-	-	63,070	-	63,070
Property, plant and equipment	(46,959)	(15,743)	(46,959)	(15,743)	(327,814)
Cash acquired on reverse takeover (note 1)	-	-	-	-	271,547
	(3,770,816)	(2,579,024)	(9,235,266)	(5,027,846)	(65,715,439)
Financing					
Issuance of common shares and warrants for cash	-	12,622,581	-	12,622,581	79,136,305
Exercise of warrants (note 8(b))	-	-	650	-	22,028,166
Exercise of options	95,277	2,286	95,277	357,576	2,182,655
Loans	-	-	-	-	144,354
	95,277	12,624,867	95,927	12,980,157	103,491,480
Change in cash	(4,192,982)	9,623,824	(10,739,932)	6,790,479	33,154,009
Unrealized foreign exchange gain (loss)	(1,156,317)	261,572	(78,091)	(22,187)	(78,091)
Cash, beginning of period	38,425,217	12,692,179	43,893,941	15,809,283	-
Cash, end of period	\$ 33,075,918	\$ 22,577,575	\$ 33,075,918	\$ 22,577,575	\$ 33,075,918

Supplementary Cash Flow Information (note 10)

See accompanying notes to interim consolidated financial statements

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three-and-six-month periods ended June 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 June 30, 2010. However, the Company is 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 in view of exploration, development and 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 presumption. 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 the exploration and development and upon future profitable production or proceeds from the disposition of properties. The Company will have 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, and establish a new section for accounting for a non-controlling interest in a subsidiary.

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three-and-six-month periods ended June 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

	June 30, 2010		December 31, 2009	
	Fair value	Cost	Fair value	Cost
Marketable securities - held for trading (note 4)	\$ 180,267	\$ 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 June 30, 2010
Encrucijada	\$ 772,322	\$ 56	\$ -	\$ 772,378
Pampa Buenos Aires ("PBA")	1,484,532	20,028	-	\$ 1,504,560
Volcan	64,003,428	6,861,055	1,088,953	\$ 71,953,436
	\$ 66,260,282	\$ 6,881,139	\$ 1,088,953	\$ 74,230,374

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three-and-six-month periods ended June 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 Six Months Ended June 30, 2010									
Property	Drilling	Exploration staff	Trenching	Value added tax	Assaying	Field costs	Other	Total	
Encrucijada	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 56	\$ 56	
PBA	-	-	-	-	-	-	20,028	20,028	
Volcan	1,415,268	1,505,049	586,250	867,646	344,511	1,182,606	959,725	6,861,055	

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 Volcan 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

	June 30, 2010			December 31, 2009		
	Cost	Accumulated amortization	Net	Cost	Accumulated amortization	Net
Office equipment	\$136,485	\$40,903	\$95,582	\$ 97,272	\$ 26,487	\$ 70,785

7. INTANGIBLE ASSETS

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

During 2008, the Company acquired water rights for the Volcan property 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-six-month periods ended June 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, 2009	107,475,657	\$ 128,687,651
Exercise of 2009 broker warrants	450	975
Exercise of stock options	134,000	122,080
Shares issued to Barrick Gold Corporation for land acquisition (note 4)	1,408,980	1,500,000
Balance - June 30, 2010	109,019,087	\$ 130,310,706

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 June 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 consists of one common share and one common share purchase warrant. The offering had a 15% greenshoe option, allowing the underwriters to acquire up to an additional 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 this greenshoe option for gross proceeds of CDN\$3,750,000 (\$3,570,000). The underwriters received a 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. As a result, 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 greenshoe option) entitles the holder to purchase one additional common share at a price of CDN\$2.25 until June 2, 2012.

As at June 30, 2010, 14,375,000 of the December 2, 2009 warrants remain outstanding.

(b) Warrants

	Number of warrants	Number of broker warrants	Warrants
Balance - December 31, 2009	14,375,000	310,500	\$ 7,920,578
Exercise of 2009 broker warrants	-	(450)	(325)
Balance - June 30, 2010	14,375,000	310,050	\$ 7,920,253

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three-and-six-month periods ended June 30, 2010 and 2009

(Unaudited and in US dollars, unless otherwise stated)

8. SHARE CAPITAL (continued)

(c) Contributed Surplus and Stock Options

Contributed Surplus

	Contributed Surplus
Balance - December 31, 2009	\$ 7,200,720
Stock-based compensation (note 10)	740,366
Exercise of stock options	(26,803)
Balance - June 30, 2010	\$ 7,914,283

Under the Company's Stock Option Plan (the "Plan"), stock options may be granted to the Company's directors, senior officers, employees, consultants and consultant companies. The stock option 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 June 30, 2010, the Company had granted 6,912,875 stock options and was authorized to grant an additional 3,989,034 stock options under the Plan. A summary of the stock option activity for the six months ended June 30, 2010 is as follows:

Stock Options

	Number of options	Weighted average exercise price (CDN\$)
Balance - December 31, 2009	5,853,125	\$ 1.74
Granted	1,815,000	1.19
Exercised	(134,000)	0.71
Expired	(617,500)	2.76
Forfeited	(3,750)	1.50
Balance - June 30, 2010	6,912,875	\$ 1.52

The unamortized stock option expense related to the grant of the options listed above at June 30, 2010 was \$614,714.

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three-and-six-month periods ended June 30, 2010 and 2009

(Unaudited and in US dollars, unless otherwise stated)

8. SHARE CAPITAL (continued)

(c) Contributed Surplus and Stock Options (continued)

During the six months ended June 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):

Issued 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%

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

Issue date	Options outstanding	Options exercisable	Exercise price (CDN\$)	Weighted average remaining life (Years)
August 24, 2005	100,000	100,000	\$ 0.70	0.15
September 27, 2005	150,000	150,000	\$ 0.70	0.24
April 18, 2006	1,171,000	1,171,000	\$ 1.35	0.80
January 16, 2007	25,000	25,000	\$ 3.00	1.55
May 9, 2007	505,000	505,000	\$ 3.25	1.82
November 29, 2007	75,000	75,000	\$ 4.60	2.42
February 29, 2008	75,000	75,000	\$ 4.30	2.67
October 8, 2008	951,875	951,875	\$ 1.50	2.90
January 5, 2009	1,000,000	750,000	\$ 1.08	3.52
February 18, 2009	200,000	150,000	\$ 1.80	3.64
February 27, 2009	500,000	375,000	\$ 1.70	3.67
March 12, 2009	250,000	187,500	\$ 1.52	3.70
March 27, 2009	15,000	15,000	\$ 1.75	3.74
August 12, 2009	80,000	40,000	\$ 1.50	4.12
March 11, 2010	1,665,000	491,250	\$ 1.20	4.47
June 4, 2010	150,000	37,500	\$ 1.08	4.93
	6,912,875	5,099,125		

The weighted average exercise price of these options were CDN\$1.52 for options outstanding and CDN\$1.63 for options exercisable. The weighted average remaining contractual life of outstanding options is 2.99 years.

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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

9. NET LOSS PER SHARE

Net loss per share has been calculated using the weighted average number of shares outstanding during the three and six months ended June 30, 2010 and 2009 as follows:

	Three months ended		Six months ended	
	2010	June 30, 2009	2010	June 30, 2009
Net loss for the period	\$ (2,117,190)	\$ (719,747)	\$ (1,827,278)	\$ (2,280,135)
Basic weighted average number of shares outstanding during the period	108,140,912	82,488,918	107,810,317	81,141,839
Basic net loss per share	\$ (0.02)	\$ (0.01)	\$ (0.02)	\$ (0.03)

Fully diluted weighted average common shares outstanding for the three and six months ended June 30, 2010 is not reflective of the outstanding stock options and warrants as their exercise would be anti-dilutive in the net loss per share calculation.

10. SUPPLEMENTARY CASH FLOW INFORMATION

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

	Three months ended		Six months ended	
	2010	June 30, 2009	2010	June 30, 2009
Interest received during the year	\$ 20,994	\$ 7,911	\$ 43,689	\$ 27,655

Non-cash investing and financing activities include the following:

	Three months ended		Six months ended	
	2010	June 30, 2009	2010	June 30, 2009
Marketable securities acquired as property payment for Quitovac (notes 3 and 4)	\$ -	\$ -	\$ 32,262	\$ -
Shares issued for mineral concessions (note 4)	\$ 1,500,000	\$ 4,160,400	\$ 1,500,000	\$ 4,160,400
Stock-based compensation included in mineral properties	\$ 46,930	\$ 62,599	\$ 136,518	\$ 158,955

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-six-month periods ended June 30, 2010 and 2009
(Unaudited and in US dollars, unless otherwise stated)

11. SEGMENTED INFORMATION (continued)

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

As at June 30, 2010	Chile	Corporate	Total
Cash	\$ 1,227,617	\$ 31,848,301	\$ 33,075,918
Other current assets	61,809	231,221	293,030
Mineral properties, intangible assets and property, plant and equipment	98,822,892	2,085,850	100,908,742
Total assets	\$ 100,112,318	\$ 34,165,372	\$ 134,277,690
Liabilities	\$ 1,175,932	\$ 291,681	\$ 1,467,613
For the three months ended June 30, 2010			
Amortization	\$ -	\$ (7,399)	\$ (7,399)
Interest income	-	20,994	20,994
Foreign exchange gain (loss)	(68,823)	(1,135,427)	(1,204,250)
Gain on sales of other mineral properties	-	-	-
Other expenses	-	(926,535)	(926,535)
Net Loss	\$ (68,823)	\$ (2,048,367)	\$ (2,117,190)
Mineral property expenditures, option payments and acquisition costs	\$ 2,823,482	\$ -	\$ 2,823,482
For the six months ended June 30, 2010			
Amortization	\$ -	\$ (14,416)	\$ (14,416)
Interest income	-	43,689	43,689
Foreign exchange gain (loss)	(98,986)	(21,086)	(120,072)
Gain on sales of other mineral properties	-	95,332	95,332
Other expenses	-	(1,831,811)	(1,831,811)
Net Loss	\$ (98,986)	\$ (1,728,292)	\$ (1,827,278)
Mineral property expenditures, option payments and acquisition costs	\$ 7,970,093	\$ -	\$ 7,970,093

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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

11. SEGMENTED INFORMATION (continued)

As at June 30, 2009	Chile	Corporate	Total
Cash	\$ 5,820,432	\$ 16,757,143	\$ 22,577,575
Other current assets	30,962	191,836	222,798
Mineral properties, intangible assets and property, plant and equipment	79,136,848	6,366,934	85,503,782
Total assets	\$ 84,988,242	\$ 23,315,913	\$ 108,304,155
Current liabilities	\$ 684,663	\$ 1,662,334	\$ 2,346,997
For the three months ended June 30, 2009			
Amortization	\$ -	\$ (1,870)	\$ (1,870)
Interest income	-	7,911	7,911
Foreign exchange gain (loss)	(31,857)	167,629	135,772
Other expenses	-	(861,560)	(861,560)
Net Loss	\$ (31,857)	\$ (687,890)	\$ (719,747)
Mineral property expenditures, option payments and acquisition costs	\$ 6,723,681	\$ -	\$ 6,723,681
For the six months ended June 30, 2009			
Amortization	\$ -	\$ (3,173)	\$ (3,173)
Interest income	-	27,655	27,655
Foreign exchange gain (loss)	(25,606)	(128,547)	(154,153)
Other expenses	-	(2,150,464)	(2,150,464)
Net Loss	\$ (25,606)	\$ (2,254,529)	\$ (2,280,135)
Mineral property expenditures, option payments and acquisition costs	\$ 9,172,503	\$ -	\$ 9,172,503

12. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with the current period's consolidated financial statement presentation.