Coro Mining Corp.

(A Development Stage Company)
Consolidated Financial Statements
June 30, 2011
(Unaudited)
(Expressed in U.S. dollars, except where indicated)

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3 (3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

Coro Mining Corp.

Consolidated Statement of Financial Position

As at June 30, 2011 and December 31, 2010

(Unaudited)

(Expressed in U.S. dollars, except where indicated)

	June 30 2011 $(000's)	December 31 2010 $(000's)
Assets		
Current assets		
Cash and cash equivalents (note 12)	15,116	7,985
Accounts receivable and prepaid expenses	68	84
Investments (note 8)	2,304	8,979
	17,488	17,048
Property, plant and equipment	645	625
Mineral property interests (note 7)	25,493	20,109
	43,626	37,782
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	969	579
Deferred income taxes	-	276
	969	855
Shareholders' equity		
Common Shares (note 9)	51,800	42,090
Contributed Surplus	3,189	3,266
Accumulated other comprehensive income	1,028	331
Deficit	(13,360)	(8,760)
	42,657	36,927
	43,626	37,782

Commitments (note 14)

Approved by the Board of Directors

"Robert Watts" — Director

"Alvin Jackson" — Director

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

Coro Mining Corp.

Consolidated Statements of Loss (Income) and Deficit

For the three and six months ended June 30, 2011 and 2010

(Unaudited)

(Expressed in U.S. dollars, except where indicated)

Expenditures	Three months ended June 30, 2011 $000's	Three months ended June 30, 2010 $000's	Six months ended June 30, 2011 $000's	Six months ended June 30, 2010 $000's
Exploration expenditures (note 5)	1,278	363	1,523	597
Other expenses (income)				
Corporate costs	362	175	660	314
Share-based payments	261	39	1,132	119
Depreciation and amortization	9	5	12	10
Foreign exchange loss	91	(28)	215	(7)
Realized gain on disposal of shares & warrants (note 8)	-	-	(4,805)	-
Unrealized loss on held-for-trading investment (note 8)	131	248	6,195	238
Finance income	(30)	(2)	(51)	(4)
	824	437	3,358	670
Loss before tax and equity earnings	2,102	800	4,881	1,267
Deferred income tax expense (recovery)	-	-	(281)	-
Equity & dilution losses (note 8)	-	557	-	732
Loss for the period	2,102	1,357	4,600	1,999
Basic and diluted loss per share ($ per share)	$0.04	$0.01	$0.03	$0.02
Weighted average shares outstanding (000's)	135,626	95,842	132,247	93,344

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

Coro Mining Corp.

Consolidated Statement of Comprehensive Loss (Income)

For the three and six months ended June 30, 2011 and 2010

(Unaudited)

(Expressed in U.S. dollars, except where indicated)

	Three months ended June 30, 2011 $000's	Three months ended June 30, 2010 $000's	Six months ended June 30, 2011 $000's	Six months ended June 30, 2010 $000's
Loss for the period	2,102	1,357	4,600	1,999
Other comprehensive loss (income)				
Foreign currency translation adjustment	(174)	(131)	(697)	(159)
Comprehensive loss for the period	1,928	1,226	3,903	1,840

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

Coro Mining Corp.

Consolidated Statements Shareholders' Equity

For the three and six months ended June 30, 2011 and 2010

(Unaudited)

(Expressed in U.S. dollars, except where indicated)

	Common shares					
	No. of shares #	Amount $(000's)	Deficit $(000's)	Contributed Surplus $(000's)	AOCI $(000's)	Shareholders' equity $(000's)
Balance – January 1, 2010	90,566,409	37,682	(19,135)	2,694	-	21,241
Units issuance (note 9)	12,500,000	3,844	-	425	-	4,269
Warrants exercised	940,454	133	-	(31)	-	102
Options exercised	40,000	9	-	(3)	-	6
Share-based payments (note 10)	-	-	-	133	-	133
Share issued for mineral properties	150,000	48	-	-		48
Comprehensive income (loss)	-	-	(1,999)	-	159	(1,840)
Balance – June 30, 2010	104,196,863	41,716	(21,134)	3,218	159	23,959
Balance – January 1, 2011	105,846,863	42,090	(8,760)	3,266	331	36,927
Warrants exercised	30,705,404	8,592	-	(1,311)	-	7,281
Options exercised	1,316,667	1,118	-	(260)	-	858
Share-based payments (note 10)	-	-	-	1,494	-	1,494
Comprehensive income (loss)	-	-	(4,600)	-	697	(3,903)
Balance – June 30, 2011	137,868,934	51,800	(13,360)	3,189	1,028	42,657

Coro Mining Corp.

Consolidated Statement of Cash Flow

For the three and six months ended June 30, 2011 and 2010

(Unaudited)

(Expressed in U.S. dollars, except where indicated)

	Three months ended June 30, 2011 $000's	Three months ended June 30, 2010 $000's	Six months ended June 30, 2011 $000's	Six months ended June 30, 2010 $000's
Cash flows from operating activities				
Loss for the period	(2,102)	(1,358)	(4,600)	(2,000)
Items not affecting cash				
Depreciation and amortization	9	5	12	10
Unrealized gain on held-for-trading investments (note 8)	131	248	6,195	238
Gain on disposal of shares and warrants (note 8)	-	-	(4,805)	-
Deferred income tax expense	-	-	(281)	-
Equity & dilution losses (note 8)	-	557	-	732
Other	-	48	-	48
Share-based payment expense	261	39	1,132	120
	(1,701)	(461)	(2,347)	(852)
Change in non-cash operating working capital				
Decrease in accounts receivable & prepaids	32	19	16	45
Increase in accounts payable & accruals	520	24	551	19
	(1,149)	(418)	(1,780)	(788)
Cash flows from financing activities				
Issuance of common shares (net of issue costs)	1,898	4,244	8,137	4,382
	1,898	4,244	8,137	4,382
Cash flows from investing activities				
Proceeds from sale of shares (note 8)	-	-	5,508	-
Property, plant and equipment	(6)	1	(32)	2
Mineral property interests (note 7)	(4,630)	(2,351)	(5,176)	(2,485)
	(4,636)	(2,350)	300	(2,483)
Effect of exchange rate changes on cash	165	(41)	474	14
Increase in cash and cash equivalents	(3,722)	1,435	7,131	1,125
Cash and cash equivalents - beginning of period	18,838	1,806	7,985	2,116
Cash and cash equivalents - end of period	15,116	3,241	15,116	3,241

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

1 Nature of operations

Coro Mining Corp. (the "Company" or "Coro") and its subsidiaries are engaged in the exploration and development of base and precious metal projects in the Latin American countries of Chile and Argentina. The Company was incorporated on September 22, 2004 and commenced activities in 2005. The Company's registered office is in Vancouver, British Columbia, Canada.

2 Basis of Preparation and First-Time Adoption of IFRS

The Company prepares its financial statements in accordance with Canadian generally accepted accounting principles as set out in the Handbook of the Canadian Institute of Chartered Accountants ("CICA Handbook"). In 2010, the CICA Handbook was revised to incorporate International Financial Reporting Standards ("IFRS"), and require publicly accountable enterprises to apply such standards effective for years beginning on or after January 1, 2011. Accordingly, the Company has commenced reporting on this basis in these condensed interim consolidated financial statements. In these financial statements, the term "Canadian GAAP" refers to Canadian GAAP before the adoption of IFRS.

These interim consolidated financial statements have been prepared in accordance with IFRS applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting ("IAS 34") and IFRS 1, First-Time Adoption of International Financial Reporting Standards ("IFRS 1"). The accounting policies followed in these interim financial statements are the same as those applied in the company's interim financial statements for the period ended March 31, 2011. The Company has consistently applied the same accounting policies throughout all periods presented, as if these policies had always been in effect. Note 15 discloses the impact of the transition to IFRS on the company's reported equity as at June 30, 2010 and comprehensive income for the three and six months ended June 30, 2010, including the nature and effect of significant changes in accounting policies from those used in the company's consolidated financial statements for the year ended December 31, 2010. Note 15 discloses the impact of the transition to IFRS on the reported balance sheet, comprehensive income and cash flows, including the nature and effect of significant changes in accounting policies from those used in our consolidated financial statements for the year ended December 31, 2010.

The policies applied in these consolidated financial statements are presented in Note 4 and are based on IFRS issued and outstanding as of July 28, 2011, the date the Audit Committee approved the financial statements. Any subsequent changes to IFRS that are given effect in the Company's annual consolidated financial statements for the year ending December 31, 2011 could result in restatement of these interim consolidated financial statements, including the transition adjustments recognized on change-over to IFRS.

The condensed interim consolidated financial statements should be read in conjunction with the Company's Canadian GAAP annual financial statements for the year ended December 31, 2010, and the Company's interim financial statements for the quarter ended March 31, 2011 prepared in accordance with IFRS applicable to interim financial statements.

3 Future accounting pronouncements

The IASB has issued the following standards which have not yet been adopted by the Company: IFRS 9, Financial instruments - Classification and Measurement ("IFRS 9"), IFRS 10, Consolidated Financial Statements ("IFRS 10"), IFRS 11, Joint Arrangements ("IFRS 11"), IFRS 12, Disclosure of Interests in Other Entities ("IFRS 12"), IAS 27, Separate Financial Statements ("IAS 27"), IFRS 13, Fair Value Measurement ("IFRS 13") and amended IAS 28, Investments in Associates and Joint Ventures ("IAS 28"). Each of the new standards is effective for annual periods beginning on or after January 1, 2013 with early adoption permitted. The Company has not yet begun the process of assessing the impact that the new and amended standards will have on its financial statements or whether to early adopt any of the new requirements.

The following is a brief summary of the new standards:

IFRS 9 – Financial instruments - classification and measurement
The first sentence of the IFRS 9 language should read - as follows: This is the first part of a new standard on classification and measurement of financial assets and financial liabilities that will replace IAS 39, Financial Instruments: Recognition and Measurement. IFRS 9 has two measurement categories: amortized cost and fair value. All equity instruments are measured at fair value.

IFRS 10 – Consolidation
IFRS 10 requires an entity to consolidate an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Under existing IFRS, consolidation is required when an entity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. IFRS 10 replaces SIC-12 Consolidation—Special Purpose Entities and parts of IAS 27 Consolidated and Separate Financial Statements.

IFRS 11 - Joint Arrangements
IFRS 11 requires a venturer to classify its interest in a joint arrangement as a joint venture or joint operation. Joint ventures will be accounted for using the equity method of accounting whereas for a joint operation the venturer will recognize its share of the assets, liabilities, revenue and expenses of the joint operation. Under existing IFRS, entities have the choice to proportionately consolidate or equity account for interests in joint ventures. IFRS 11 supersedes IAS 31, Interests in Joint Ventures, and SIC-13, Jointly Controlled Entities—Non-monetary Contributions by Venturers.

IFRS 12 – Disclosure of Interests in Other Entities
IFRS 12 establishes disclosure requirements for interests in other entities, such as joint arrangements, associates, special purpose vehicles and off balance sheet vehicles. The standard carries forward existing disclosures and also introduces significant additional disclosure requirements that address the nature of, and risks associated with, an entity's interests in other entities.

IFRS 13 - Fair Value Measurement
IFRS 13 is a comprehensive standard for fair value measurement and disclosure requirements for use across all IFRS standards. The new standard clarifies that fair value is the price that would be received to sell an asset, or paid to transfer a liability in an orderly transaction between market participants, at the measurement date. It also establishes disclosures about fair value measurement. Under existing IFRS, guidance on measuring and

3 Future accounting pronouncements (continued)

disclosing fair value is dispersed among the specific standards requiring fair value measurements and in many cases does not reflect a clear measurement basis or consistent disclosures.

Amendments to Other Standards
In addition, there have been amendments to existing standards, including IAS 27 and IAS 28. IAS 27 addresses accounting for subsidiaries, jointly controlled entities and associates in non-consolidated financial statements. IAS 28 has been amended to include joint ventures in its scope and to address the changes in IFRS 10 to 13.

4 Significant accounting policies

Principles of consolidation
The consolidated financial statements include the assets, liabilities and results of the Company and its subsidiaries. The effects of transactions between entities in the consolidated group are eliminated. Where control of an entity is obtained during a financial year, its results are included in the consolidated statements of income (loss), comprehensive loss and deficit from the date on which control commences. Where control of an entity ceases during a financial year, its results are included for that part of the year during which control exists.

Estimates, risks and uncertainties
The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the amounts reported and disclosed in the financial statements and the accompanying notes. Actual results could differ from those estimates.

Realization of the Company’s assets and liabilities is subject to risks and uncertainties, including reserve and resource estimation, future copper and other base and precious metal prices, estimated costs of future production, changes in government legislation and regulations. Investment valuation estimated future income taxes, and the availability of financing and various operational factors.

Foreign currency translation
The functional currency of the parent company, Coro Mining Corp., is the Canadian dollar. The functional currency of the Company’s Chilean and Argentinian’s subsidiaries is the U.S. dollar. The reporting currency of the Company is the U.S. dollar. The financial statements of the parent company are translated into US dollars for presentation purposes as follows: assets and liabilities at the closing rate at the date of the consolidated statements of financial position, income and expenses at the average rate of the period (as this is considered a reasonable approximation to actual rates) and shareholders’ equity components at historical rate. All resulting changes are recognized in other comprehensive income as cumulative translation adjustments (“CTA”).

Transactions in currencies other than the functional currency of an entity are recorded at the rate of exchange prevailing on the date of the transaction. Monetary assets and liabilities that are denominated in foreign currencies are translated at the rate prevailing at each reporting date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date the fair value was determined. Non-monetary items that are measured at historical cost in a foreign currency are translated at the exchange rate on the date of the transaction. Foreign currency translation differences are recognized in profit or loss, except for differences on the retranslation of available-for-sale equity investments which are recognized in other comprehensive income.

4 Significant accounting policies (continued)

Financial Instruments

a) Cash and cash equivalents
Cash and cash equivalents comprise cash at banks, cash on hand and other short-term investments with initial maturities of less than three months. Cash and cash equivalents are classified as loans and receivables.

b) Derivative instruments
Derivative instruments, including warrants to purchase shares of other companies, are held for trading and recorded on the balance sheet at fair value. Changes in fair value are recorded in the consolidated statement of loss and deficit.

c) Investments
Investments in public company shares are held for trading and measured at fair value on the balance sheet. Gains or losses are recognized in net income for the year in which it arises.

d) Accounts receivable
Accounts receivable are classified as "loans and receivables" and are recorded at amortized cost using the effective interest rate method, which upon their initial measurement is equal to their fair value. Subsequent measurement of receivables is at amortized cost.

e) Accounts payable
Accounts payable and accrued liabilities are classified as "other financial liabilities" and are measured at amortized cost using the effective interest rate method.

Investments
Investments in companies over which Coro has significant influence are accounted for using the equity method of accounting. Prior to November 2010, the Company equity accounted for its interest in Valley High Ventures Ltd. ("Valley High") but after the disposition of shares in November 2010, the Company accounts for this investment as held-for-trading and revalues its shares in Levon Resources Ltd. ("Levon") to market each quarter. Levon acquired Valley High in March 2011.

Property, plant and equipment
Property, plant and equipment are recorded at cost less accumulated depreciation and amortization. Depreciation is calculated over the estimated useful lives of the assets. Vehicles are depreciated on a straight-line basis over 5 years. Computer equipment is depreciated on a declining balance basis at a rate of 45%.

Exploration and Evaluation Costs
Exploration and evaluation costs include costs to acquire the rights to explore, geological studies, exploratory drilling and sampling and directly attributable administrative costs. Exploration and evaluation costs relating to non-specific projects or properties or those incurred before the Company has obtained legal rights to explore an area are expensed in the period incurred.

Exploration and evaluation costs are recognized as mineral property interests when management has established that a resource exists or that the costs can be economically recovered. Once the technical feasibility and commercial viability of the extraction of resources from a particular mineral property has been determined, exploration and evaluation assets are reclassified to mine properties within property, plant and equipment.

4 Significant accounting policies (continued)

Proceeds from the sale of properties or cash proceeds received from option payments are recorded as a reduction of the related mineral property interest.

Asset impairment

The Company performs impairment tests on mineral properties, when events or circumstances occur which indicate the assets may not be recoverable. Impairment assessments are carried out on project by project basis with each project representing a single cash generating unit. When impairment indicators are identified, and impairment loss is recognized for any amount by which the asset's carrying value exceeds its recoverable amount. The recoverable amount is the higher of the asset's fair value less costs to sell and value in use.

Earnings (loss) per share

Earning (loss) per share is calculated using the weighted average number of shares outstanding during the period. Diluted earning (loss) per share is calculated using the treasury stock method whereby all in the money options and warrants are assumed to have been exercised at the beginning of the year and the proceeds from the exercise are assumed to have been used to purchase common shares at the average market price during the period. In periods of loss basic and diluted loss per share are the same, as the effect of the exercise of outstanding options and warrants is anti-dilutive.

Income taxes

Deferred income tax is recognized using the liability method on temporary differences arising between the tax and accounting bases of assets and liabilities as well as for the benefit of losses available to be carried forward to future years. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects either accounting nor taxable profit or loss. Deferred income tax is determined using tax rates that have been enacted or substantively enacted at the balance sheet date.

Deferred income tax assets are recognized only to the extent that it is probable that future profit will be available against which such assets can be utilized.

Share-based payments

The Company applies the fair value method of accounting for stock options granted to employees and others providing similar services. The fair value of options is determined using a Black-Scholes option pricing model that takes into account, as of the grant date, the exercise price, the expected life of the option, the current price of the underlying stock and its expected volatility, expected dividends on the stock, and the risk-free interest rate over the expected life of the option. Cash consideration received from employees on exercise of options is credited to common shares along with the original grant date fair value of the options exercised. The Company expenses the fair value of stock options granted over the vesting period with the corresponding credit to contributed surplus.

5 Exploration expenditures

For the three months ended June 30, 2011					
$(000's)	**Berta**	**Chacay**	**Llancahue**	**General**	**Total**
Administration costs	-	7	-	186	193
Consulting, labour & professional fees	-	43	-	41	84
Drilling & trenching	-	605	-	-	605
Property investigations	-	60	10	76	146
Property acquisition costs	200	-	-	25	225
Travel & accommodation	-	17	-	8	25
Total exploration expenditure	**200**	**732**	**10**	**336**	**1,278**

For the three months ended June 30, 2010					
$(000's)	**Berta**	**Chacay**	**Llancahue**	**General**	**Total**
Administration costs	-	1	1	61	63
Consulting, labour & professional fees	-	13	-	30	43
Drilling & trenching	-	-	-	-	-
Property investigations	-	158	-	36	194
Property acquisition costs	-	-	-	48	48
Travel & accommodation	-	4	1	10	15
Total exploration expenditure	**-**	**176**	**2**	**185**	**363**

For the six months ended June 30, 2011					
$(000's)	**Berta**	**Chacay**	**Llancahue**	**General**	**Total**
Administration costs	-	8	-	273	281
Consulting, labour & professional fees	-	70	-	77	147
Drilling & trenching	-	646	-	-	646
Property investigations	-	89	10	86	185
Property acquisition costs	200	-	-	25	225
Travel & accommodation	-	28	-	11	39
Total exploration expenditure	**200**	**841**	**10**	**472**	**1,523**

For the six months ended June 30, 2010					
$(000's)	**Berta**	**Chacay**	**Llancahue**	**General**	**Total**
Administration costs	-	1	1	124	126
Consulting, labour & professional fees	-	57	-	44	101
Drilling & trenching	-	64	-	3	67
Property investigations	-	186	9	38	233
Property acquisition costs	-	-	-	48	48
Travel & accommodation	-	8	-	14	22
Total exploration expenditure	**-**	**316**	**10**	**271**	**597**

5 Exploration expenditures (continue)

Berta, Chile
In June 2011, Coro entered into an option agreement to acquire the Berta Property located approximately 20km west of the village of Inca de Oro in the III Region of Chile, at an elevation of 1,700m. Coro may acquire 100% of the Berta property for a total of $6,000,000 by making the following staged option payments; on signing: $200,000 (paid); June 2012; $800,000: June 2013; $1,500,000: June 2014: $3,500,000. In addition, a 1.5% NSR is payable on any sulphide copper production together with any by-product metals.

Chacay, Chile
The Chacay property is located 12km southeast of Teck Resources Limited’s Relincho copper project, and 50km east of the city of Vallenar in the III Region of Chile. The property is subject to a 2% net profits interest.

Llancahue, Chile
The Llancahue property is located near the town of Talca, approximately 300km south of Santiago, Chile.

General, Chile:
General exploration activity in Chile includes non-direct or non-incremental costs associated with any project. Among general exploration the Company also holds the Gloria and Celeste properties in Chile and a number of hectares staked near the town of Talca, in south central Chile. It also includes the El Tapao property, located in the IV Region of Chile, which was acquired by staking and via option agreement in May 2011. The Company may acquire the optioned property by making four annual payments of $25,000 ($25,000 paid in May 2011), followed by a final payment of $1.0 million.

6 Property, plant and equipment

In 2006, the Company purchased a surface right covering the San Jorge project. The land was acquired for a total cost of $537,000. The purchase remains subject to final registration by the Argentine authorities.

7 Mineral property interests

San Jorge $(000's)	June 30 2011	December 31 2010
Opening balance	20,109	16,391
Engineering	-	56
Environmental	29	80
General & administration[1]	1,176	1,294
Geology	179	288
Acquisition costs / options payments	4,000	2,000
Closing balance	**25,493**	**20,109**

[1] Included within mineral property interests is a Value Added Tax ("IVA") receivable in Argentina of $358,000 (2010: $547,000). Due to the uncertainty surrounding timing and collectability, the Company views the IVA as a cost of developing the San Jorge project. During 2011, the Company recovered $218,000 (2010: $200,000) and credited this amount against development expenditures.

San Jorge, Argentina:

In February 2011 the Company announced the approval of the San Jorge project Environmental Impact Study ("EIS") was approved by the Provincial Government of Mendoza and the resulting Environmental Impact Declaration ("EID") was submitted to the Provincial Legislature for ratification.

In 2006, the Company entered into an option agreement, subsequently amended in June 2008 and January 2009, to purchase 100% of the San Jorge project, by acquiring the outstanding shares of Minera San Jorge. To date, under the option agreement, the Company has paid a total of $7,500,000 ($4,000,000 paid in May 2011) in cash and issued a total of 1,000,000 shares. The terms of the agreement require payments as follows: $5,000,000 in May 2012 and $5,000,000 in May 2013, less the aggregate deemed value of the 1,000,000 common shares of Coro previously issued. If, after May 10, 2011, the Company completes a bankable feasibility study on either the heap leachable copper resources or the sulphide copper resources, or a combination of both, the Company shall pay the balance of any amounts owing within six months from the date of completion of the bankable feasibility study.

The payments in 2010 and thereafter totalling $16,000,000 will be treated as an advance payment on either: (a) the existing obligation to pay $0.02 per pound on the mineable proven and probable copper sulphide reserves upon commencement of commercial production or (b) the existing obligation to pay $0.025 per pound on the mineable proven and probable heap leachable copper reserves upon commencement of commercial production.
In addition, Coro has agreed to pay a net smelter return production royalty of 1.5% on all non-copper production from the San Jorge project.

For any production of copper in excess of that derived from the total mineable, proven and probable heap leachable reserves and the mineable, proven and probable sulphide reserves the Company agreed to pay (i) $0.015 per pound of copper contained in ore processed by a mill, in excess of the total pounds of copper contained in the mineable, proven and probable sulphide reserves and (ii) $0.02 per pound of copper contained in ore placed on leach pads, in excess of the total pounds of copper contained in the mineable, proven and probable heap leachable reserves.

8 Investments

$(000's)	June 30 2011	December 31 2010
Held for trading – 1,221,053 (2010 - 3,290,353) Levon/Valley High shares	2,216	6,814
Held for trading – 152,632 Bearing shares	88	-
Derivative Investment – (2010 - 1,525,000) Valley High warrants	-	2,165
Valley High equity accounted investment	-	-
	2,304	**8,979**

On March 25, 2011, Levon acquired all of the issued and outstanding shares of Valley High and in return each Valley High shareholder received one Levon share and one-eighth of a share in Bearing Resources Ltd. ("Bearing").

On March 1, 2011, the Company received CA$5.4 million in proceeds from the disposition of 2,069,300 Valley High shares at a price of CA$1.81 and 1,525,000 Valley High warrants at a price of CA$1.10 in Valley High. In November 2010, the Company sold 5,850,000 common shares of Valley High at a price of CA$1.10 for gross proceeds of CA$6,435,000.

Prior to the share disposal in November 2010, the Company had equity accounted for its investment in Valley High.

9 Common shares

Authorized
The Company has an unlimited amount of authorized common shares without par value.

Issued
In June 2010, the Company issued 12,500,000 units at CA$0.36. Each unit was comprised of one share and one half of a non-transferable warrant. Each whole warrant entitles the holder to purchase one common share of Coro for a period of two years at a price of CA$0.50 for the first year and CA$0.65 thereafter. The fair value of the warrants was calculated using the Black-Scholes model assuming an average volatility of 78%, a risk-free rate of 1.45%, a nine-month expected life and no annual dividends.

(Expressed in U.S. dollars, except where indicated)

10 Share stock options and warrants

The Company has a stock option plan that permits the granting of stock options to directors, officers, key employees and consultants. Terms and pricing of options are determined in accordance with the plan. A total of 10% of the issued and outstanding common shares of the Company may be allotted and reserved for issuance under the stock option plan.

Options

	June 30, 2011		December 31, 2010	
	Number of shares	**Weighted average exercise price CA$**	**Number of shares**	**Weighted average exercise price CA$**
Outstanding – December 31	6,360,400	0.41	6,038,733	0.39
Granted	3,260,000	1.45	540,000	0.52
Cancelled	-	-	(83,333)	0.33
Forfeited	-	-	(85,000)	0.15
Exercised	(1,316,667)	0.65	(50,000)	0.15
Outstanding – June 30	8,303,733	0.78	6,360,400	0.41

At June 30, 2011, the following stock options were outstanding:

	Number of options Outstanding	Number of options vested and exercisable	Exercise price CA$	Expiry Date
	280,000	280,000	1.50	2011
	180,000	180,000	1.50	2012
	133,800	133,800	1.40	2013
	1,600	1,600	1.36	2013
	3,483,333	3,433,333	0.15	2014
	425,000	325,000	0.22	2014
	490,000	490,000	0.52	2015
	50,000	16,667	0.58	2015
	3,260,000	1,086,667	1.45	2016
Total	8,303,733	5,947,067		

The majority of stock options vest over a three year period.

Option and warrant pricing models require the input of highly subjective assumptions including the expected volatility. Changes in the assumptions can materially affect the fair value estimate, and therefore, the existing models do not necessarily provide a reliable measure of the fair value of the Company's stock options.

The following assumptions were used in the Black-Scholes option pricing model to calculate the compensation expense:

	Warrants	Options
Risk-free interest rate	1.27% to 2.7%	0.47% to 4.33%
Options expected life	0.75 to 1.3 years	2 to 4.5 years
Expected volatility	78% to 128%	67% to 96%
Expected dividend	0%	0%

For the three months ended June 30, 2011 total share-based compensation expense was $349,188 (2010: $43,640) of which $88,562 (2010: $4,484) was capitalized. For the six month ended June 30, 2011 total share-based compensation expense was $1,494,433 (2010: $133,262) of which $362,676 (2010:$13,694) was capitalized.

10 Share stock options and warrants (continued)

Warrants

	June 30, 2011		December 31, 2010	
	Number of shares	**Weighted average exercise price CA$**	**Number of shares**	**Weighted average exercise price CA$**
Outstanding – beginning of period	34,483,181	0.31	30,963,636	0.25
Granted	-	-	6,249,999	0.50
Exercised	(30,705,404)	0.23	(2,580,454)	0.19
Expired	-	-	(150,000)	2.50
Outstanding – end of period	**3,777,777**	**1.01**	**34,483,181**	**0.31**

At June 30, 2011, the following warrants were outstanding:

	Number of Shares outstanding	Exercise price CA$	Expiry Date
	1,000,000	2.00	27-Aug-2011
	2,777,777	0.65	1-Jun-2012
Total	**3,777,777**	**1.01**	

11 Related party transactions

For the period ended June 30, 2011, rent and administrative fees of $69,000 (2010: $71,000) were charged by Coro to Valley High. Valley High seized to be related party on March 25, 2011.

The Company considers the Directors and Officers of the Company to be key management personnel.

	Three months ended June 30, 2011	Three months ended June 30, 2010	Six months ended June 30, 2011	Six months ended June 30, 2010
Short-term employee benefits	257,440	129,102	482,103	256,999
Share-based payments	269,703	48,563	1,141,795	107,185
Total key management personnel	**527,143**	**177,665**	**1,623,898**	**364,184**

12 Supplemental cash flow information

Cash and cash equivalents comprise the following:

$(000's)	**June 30, 2011**	**December 31, 2010**
Cash	2,882	575
Cash equivalents	12,234	7,410
	15,116	**7,985**

13 Geographic segmented information

The following table illustrates the geographic location of the Company's assets.

$(000's)	Argentina	Canada	Chile	Others	Total
June 30, 2011					
Loss for the period	-	3,093	1,267	240	4,600
Non-current assets	26,059	9	70	-	26,138
Total assets	**26,695**	**16,536**	**395**	**-**	**43,626**
June 30, 2010					
Loss for the period	-	1,415	584	-	1,999
Non-current assets	19,457	4	58	-	19,519
Total assets	**19,983**	**4,224**	**155**	**-**	**24,362**

14 Commitments

$(000's)	2011	2012	2013	2014	Thereafter	Total
Lease commitments	18	-	-	-	-	18
Property option payments[1,2]	-	5,825	6,525	3,525	1,000	16,875
Total	**18**	**5,825**	**6,525**	**3,525**	**1,000**	**16,893**

[1] Excludes royalty payments and net profit interests (refer to note 5 and 7).
[2] The deemed value of 1,000,000 common shares is deductible from the final payment on San Jorge (refer to note 7 for full details of the option agreement)

15 First-Time adoption of IFRS

First-time Adoption Exemptions Applied
IFRS 1, which governs the first-time adoption of IFRS, generally requires accounting policies to be applied retrospectively to determine the opening balance sheet on our transition date of January 1, 2010, and allows certain exemptions on the transition to IFRS. The elections we have chosen to apply and that are considered significant to the company include decisions to:

a) Share-based payments - IFRS 1 permits the application of IFRS 2, Share-based Payments, to equity instruments granted on or before November 7, 2002, that had not vested by the Transition Date. The Company elected to apply IFRS 2 to equity instruments granted after November 7, 2002 that had not vested by January 1, 2010.
b) CTA - The Company elected to take the IFRS 1 exemption to deem cumulative translation adjustments to be zero at the date of transition to IFRS. Hence all existing CTA balances and the impact of the above adjustments as of January 1, 2010 were recorded against the brought forward deficit.

The following paragraphs explain the significant differences between Canadian GAAP and the current IFRS accounting policies applied by the Company.

15 First-Time adoption of IFRS (continued)

i) Mineral property interest

Under Canadian GAAP the Company recognized a deferred income tax liability on temporary differences arising on the initial recognition of mineral properties acquired other than in business combinations. IAS 12, Income Taxes does not permit the recognition of deferred taxes on such transactions. The impact of the de-recognition of the deferred taxes was a reduction of $1.4 million to the deferred tax liability at January 1, 2010 & March 31, 2010 and $2.4 million at December 31, 2010. There is also a reduction of mineral property interest of $1.7 million at January 1, 2010 & March 31, 2010 and $2.8 million at December 31, 2010. A reversal of foreign exchange gain of $276,000 at January 1, 2010, $303,000 at March 31, 2010 and $358,000 at December 31, 2010 as a portion of the deferred tax liability was denominated in a foreign currency and accordingly had been revalued using the foreign exchange rate at the balance sheet dates.

ii) Functional currency

Under Canadian GAAP the Company determines whether a subsidiary is an integrated operation or a self-sustaining entity which determines the method of translation into the presentation currency of the Group. Under Canadian GAAP the Company's measurement currency was U.S. dollars. IFRS requires that an entity determine the functional currency of each subsidiary individually, prior to consolidation into the Group's presentation currency. It was determined that, as at the January 1, 2010, the functional currency of Coro Mining Corp. is Canadian dollars and the functional currency of its subsidiaries in Argentina and Chile is the U.S. dollar. In addition, Valley High, in which the Company has an investment, has a Canadian dollar functional currency. The Company elected to take the IFRS 1 exemption to deem cumulative translation adjustments to be zero at the date of transition to IFRS. Hence all existing CTA balances and the impact of the above adjustments as of January 1, 2010 were recorded against the brought forward deficit.

Reconciliation of Equity

A reconciliation between the Canadian GAAP and IFRS Equity as June 30, 2010 is provided below.

$(000's)	**June 30, 2010**
Equity under Canadian GAAP	24,171
Foreign exchange movements on future income tax liability (i)	(306)
Foreign exchange movements on Valley High investment (ii)	80
Other	14
Equity under IFRS	**23,959**

Reconciliation of Total assets

$(000's)	**June 30, 2010**
Total assets under Canadian GAAP	27,001
Future income tax reversal on Mineral Properties (i)	(2,753)
Foreign exchange movements on Valley High investment (ii)	101
Other	13
Total assets under IFRS	**24,362**

15 First-Time adoption of IFRS (continued)

Reconciliation of Total Liabilities

$(000's)	June 30, 2010
Total liabilities under Canadian GAAP	2,830
Future income tax reversal (i)	(2,425)
Total liabilities under IFRS	**405**

Reconciliation of Total Comprehensive Income

A reconciliation between the Canadian GAAP and IFRS total comprehensive income for three and six months ended June 30, 2010 is provided below.

$(000's)	Three months ended June 30, 2010	Six months ended June 30, 2010
Comprehensive loss (income) under Canadian GAAP	$1,229	$1,770
Foreign exchange movements on future income tax (i)	21	53
Foreign exchange movements on Valley High investment	(24)	17
Comprehensive loss (income) under IFRS	**$1,226**	**$1,840**

Statement of Cash Flows

The IFRS transition adjustments noted above did not have an impact on cash and cash equivalents. There was no change to the investing and financing subtotals on the cash flow statement.