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Investment Analysis for Intelligent Investors

November 5, 2007

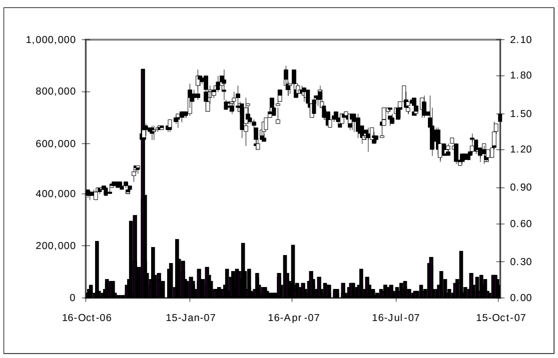
Columbus Gold Corporation (TSX.V: CGT) – Update on Joint Venture Exploration Work

Sector/Industry: Junior Mining **www.columbusgoldcorp.com**

Market Data (as of October 31, 2007)

Current Price	C$1.15
Fair Value	C$1.90 (↓)
Rating*	BUY
Risk*	5 (Highly Spec)
52 Week Range	C$0.83 – C$1.89
Shares O/S	21,234,347
Market Cap	C$24.42 mm
Current Yield	N/A
P/E	N/A
P/B	3.38
YoY Return	29.2%
YoY TSX	21.4%

*see back of report for rating and risk definitions



Investment Highlights

- The company holds 28 properties, 12 of which are joint ventured to major and/or junior mining companies, including Agnico-Eagle and Newmont. The joint venture model allows the company to advance a number of properties while minimizing risk and dilution.
- The company has continued to joint venture its properties, and has established new agreements with Newmont Mining, Portage Minerals, Ventura Gold, and Agnico-Eagle.
- The company is focused on gold prospecting in Nevada, but also holds silver and base metals properties in Utah and Arizona. Management plans to spin off the silver properties into a new public company called Columbus Silver.
- The company is maintaining a 100% interest, and conducting exploration on the underexplored Bolo gold property. Drilling on Bolo should commence in November 2007.
- We have lowered our fair value estimate from $2.10 per share to $1.90 per share. The valuation dropped as we reduced our valuation on the Silver District project, and due to share dilution.

Risks

- The success of drilling, expansion and determination of favorable resource estimates are important long-term success factors for the company.

Key Financial Data (FYE - September 30)

(C $)	**2005**	**2006**	**2007 Q2**
Cash + Term Deposits + Marketable Securities	1,526,061	3,709,494	3,613,940
Working Capital	1,568,717	3,655,967	3,677,319
Mineral Assets & PPE	1,290,852	2,717,115	3,485,749
Total Assets	3,100,833	6,789,811	7,266,216
Net Loss	(910,732)	(2,046,331)	(1,142,139)
Loss per Share	(0.08)	(0.13)	(0.06)

Columbus Gold and its exploration team, Cordilleran Exploration Company (Cordex), are focused on the generation of successful mining prospects in the western United States. They are largely focused on gold in Nevada, and are utilizing a joint venture model to minimize risk and dilution while advancing many properties. To date, the company has successfully joint ventured 12 of its 28 properties to major and junior mining companies. They are maintaining 100% interest and conducting exploration on their Bolo property.

Company Overview

Columbus is working exclusively with Cordilleran Exploration Company (Cordex), the most successful exploration team in Nevada, to acquire a 100% interests in gold properties in the western United States. The company is conducting exploration on the Bolo property, and has optioned 12 of their 28 properties to major and junior resource companies, including Agnico-Eagle (TSX: AEM) and Newmont Mining (NYSE: NEM). The joint venture model allows the company to minimize risk and dilution and maximize exploration while advancing many properties.

Properties

Source: Columbus Gold Corporation

The table below outlines the company's active option agreements and requirements.

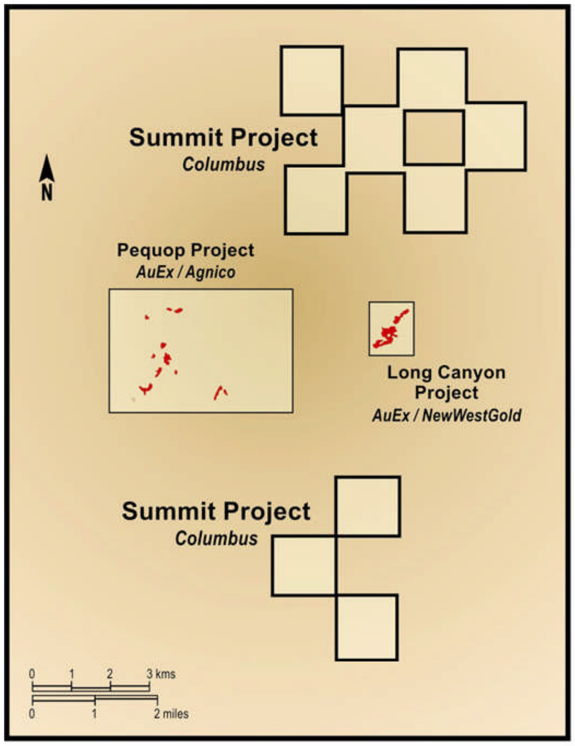
PROJECT	PARTNER	TO EARN 51%	TO EARN TO 70%	EXPENDITURE*
Scraper Springs	Newmont	$5,000,000	Positive Feasibility	$900,000
Summit	Agnico Eagle	$3,000,000	Positive Feasibility	$500,000
Utah Clipper	to be announced	$6,500,000	Positive Feasibility	$1,000,000
Crestview	to be announced	incl. above	Positive Feasibility	incl. above
Dutch Flat	Piedmont Mining Co.	$2,000,000	Positive Feasibility	$500,000
Guild	Sniper Resources	$2,000,000	Positive Feasibility	$500,000
Overland Pass	Sniper Resources	$2,000,000	Positive Feasibility	$500,000
Linka	Sniper Resources	$2,000,000	Positive Feasibility	$300,000
Pete's Summit	Sniper Resources	incl. above	Positive Feasibility	incl. above
Del Oro	Ventura Gold	$2,000,000	Positive Feasibility	$200,000
Four Metals	Black Pearl Minerals	not applicable	not applicable	$500,000
Chert Cliff	Platte River Gold Inc.	not applicable	not applicable	$100,000
Totals		$24,500,000		$8,750,000

Source: Columbus Gold Corp.

Properties Overview

Property	State	Location	Commodity	Status
Bolo	Nevada	Between Walker Lane and BME* Trend	Gold	Active 100% controlled
Silver Dome	Utah	East of Carlin Trend	Silver	Active 100% controlled
Summit	Nevada	East of Carlin Trend	Gold	Joint venture with Agnico-Eagle
Scraper Springs	Nevada	Northern extension of Carlin Trend	Gold	Joint Venture with Newmont
Del Oro	Nevada	West of BME Trend	Gold	Joint Venture with Ventura Gold
Dutch Flat	Nevada	Northern extension of BME Trend	Gold	JV Piedmont Mining
Chert Cliff	Nevada	BME Trend	Gold	Leased to Platte River Gold
White Canyon	Nevada	Between BME and Carlin Trends	Gold	Leased to Allied Nevada
Linka	Nevada	Between Walker Lane and BME Trend	Gold	JV Sniper Resources
Pete's Summit	Nevada	Between Walker Lane and BME Trend	Gold	JV Sniper Resources
Guild	Nevada		Gold	JV Sniper Resources
Overland Pass	Nevada	Southern extension of Carlin Trend	Gold	JV Sniper Resources
Four Metals	Arizona	South of Phoenix	Cu, Mo	Optioned to Black Pearl
Golden Mile	Nevada	Walker Lane Trend	Gold	Optioned to Portage Minerals (private)
Laura	Nevada	BME Trend	Gold	Pending JV, returned from Agnico-Eagle
Crestview	Nevada	BME Trend	Gold	
Utah Clipper	Nevada	BME Trend	Gold	
Winnemuca Mountain	Nevada	Northern extension of BME Trend	Gold	Pending JV
Spring	Nevada	Walker Lane Trend	Gold	Pending JV
Red Hills	Nevada	East of Carlin Trend	Gold	Pending JV
White Horse Flats	Nevada	East of Carlin Trend	Gold	Pending JV
Clanton Hills	Arizona	Southwest of Phoenix	Silver	Pending JV
Silver District	Arizona	West of Phoenix	Silver	Pending JV
Burnt Well	Arizona	Northwest of Phoenix	Gold	Pending JV
Keg	Utah		Silver	Pending JV
Mill Canyon	Nevada	BME Trend	Gold	Pending JV
Stage	Nevada	Southern extension of Carlin Trend	Gold	Pending JV
Grulla	Nevada		Gold	Pending JV
Clara Moro	*Arizona*	*Northwest of Phoenix*		*1% NSR royalty*

*Battle Mountain-Eureka (BME) Trend



Summit Property

Property Overview: The 2,407 hectare (5,950 acre) Summit Property is located in one of the company's primary prospecting areas of northeastern Nevada, 22 kilometers (14 miles) east of Wells. This region may be one of the best new Carlin style deposit discoveries, and Agnico-Eagle has optioned the Summit property. Agnico-Eagle holds an option on the adjacent Pequop Project from AuEx, where drilling is ongoing.

Ownership: The Summit property was acquired by staking and is subject to a 2% NSR royalty. This property is located in an area of Nevada where every other square mile is privately owned, and Columbus controls a "checkerboard" pattern of federally held lands between the private lands.

Columbus Gold optioned the Summit property to Agnico-Eagle in June 2007. Agnico-Eagle can earn a 51% interest by spending US$3 million on exploration over five years and paying US$150,000 to Columbus over three years. Agnico-Eagle will act as the operator. Agnico-Eagle can increase their interest to 70% by preparing a positive feasibility study, and earn a further 5% by arranging financing for Columbus Gold's share of the capital required for mine development.

Historic Exploration/Production: The Summit claims have not been explored previously, but are of interest due to their location next to AuEx Ventures (TSX.V:XAU)/Agnico-Eagle/NewWest Gold Corp. (TSX:NWG)'s Pequop and Long Canyon Projects.

Drilling at Long Canyon by AuEx Ventures, and their joint venture partner NewWest Gold, has confirmed the high-grade potential of the region. AuEx announced that Agnico-Eagle, their joint venture partner, had commenced drilling at Pequop on May 1, 2007. Drilling results released to date from Pequop have been very positive. Agnico-Eagle is planning to continue drilling into the fall.

Current Work: Agnico-Eagle has not reported any work on the property at this time.

Resource Estimate: This property does not have any historic or NI 43-101 compliant resource estimates at this time.

Utah Clipper, Laura, and Crestview Properties

Properties Overview: The Laura, Utah Clipper, and Crestview properties total 2,048 hectares (5,058 acres) and were optioned to Agnico-Eagle who had technical expertise in deep drilling.

Current Work: Agnico-Eagle announced they had commenced deep drilling on the Utah Clipper and Crestview properties in February 2007. Agnico-Eagle drilled 2,907 meters in five deep rotary holes to test deep targets at Utah Clipper and Crestview. The drilling results were anomalous for gold and intersected Lower Plate carbonate host rock. Agnico-Eagle relinquished its right to earn interest, and Columbus Gold is planning to joint venture the property.

Resource Estimate: These properties do not have any historic or NI 43-101 compliant resource estimates at this time.

Scraper Springs Property

Property Overview: The 2,710 hectare Scraper Springs property is located 72 kilometers north of Battle Mountain, Nevada, in the northern extension of the Carlin Trend.

Ownership: The property is made up of 276 mineral claims and 405 hectares of patented land. Newmont can earn a 51% interest in the property by spending US$5 million on exploration over a five year period. They have an option to earn an additional 24% by satisfying additional requirements.

Historic Exploration/Production: The property was first drilled by Western States Minerals. They drilled 13 holes down to 198 meters (650 feet). They intersected wide, anomalous to low grade gold zones. The Cordex team later drilled the property at shallower depths, and intersected altered Lower Plate rocks at 503 meters (1,650 feet). Although drilling results were mostly anomalous, we believe the intersection of Lower Plate mineralization makes the property interesting.

Geology and Mineralization: The property covers a quartz monzonite intrusive cutting Upper Plate cherts and siltstones. Previous exploration has intersected Lower Plate Roberts Formation rock.

Current Status: Newmont has not announced any results from the property at this time. This property has potential for disseminated mineralized zones associated with the volcanic intrusive, Carlin type gold deposits in the Upper and Lower Plates, and porphyry hosted polymetallic or base metals skarns associated with the intrusive.

Resource Estimates: This property does not have any historic or NI 43-101 compliant resource estimates at this time.

Bolo Gold Property

Property Overview: The 694 hectare (1,715 acre) Bolo property is the company's flagship property. It was of special interest to the Cordex team as it is a property with good surface gold grades that have not yet been drilled.

Ownership: This property was acquired through staking in 2005. Columbus Gold's 100% ownership is subject to NSR royalties. The company is planning to maintain 100% ownership and conduct exploration on the property.

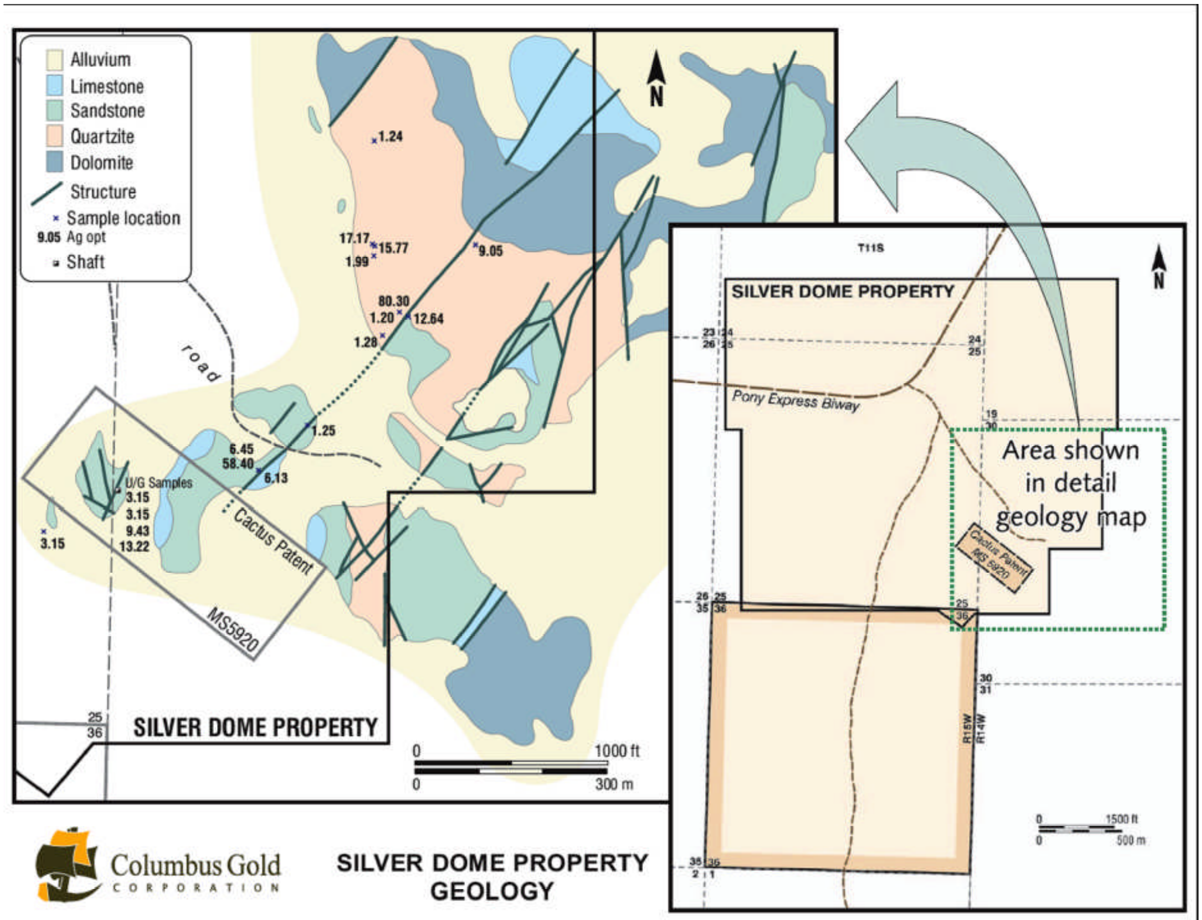
Historic Exploration/Production: One of the reasons this property is of such interest to the company is its lack of detailed exploration, despite good surface gold values. Shallow drilling was conducted by Chevron and USMX, and none of these drill holes reached greater than 27 meters (90 feet) depth within the structure.

Geology and Mineralization: The exploration target at Bolo is a window into the underlying Robert Mountain Formation, which hosts the best Carlin-style gold deposits in Nevada. Surface gold mineralization between anomalous to 5 g/t gold has been identified on two north-south structurally controlled faults. These faults, known as the Mine Fault Zone and the East Fault Zone, have a cumulative mapped strike length of 4.9 kilometers (3 miles) and dip 70 degrees to the east. The company believes the property may be amenable to open pit mining. The widths of these two faults will be identified through drilling, however, the Mine Fault Zone reaches widths of 4.5 meters (15 feet) at the surface and the widths may increase at depth.

Current Work: The company is planning to drill approximately 6,000 meters (20,000 feet) of RC drilling in up to 35 holes starting in November 2007.

Resource Estimate: This property does not have any historic or NI 43-101 compliant resource estimates at this time.

UTAH



A geologic map of the Silver Dome property highlights the silver bearing structures. The area shown in detail is the company's prime target area at this time.
Source: Columbus Gold Corporation

Silver Dome Property

Property Overview: The 760 hectare (1,876 acre) Silver Dome property is located 72 kilometers (45 miles) northwest of Delta, Utah, within one of the company's primary prospecting areas. According to management, the company is planning to spin out Silver Dome and other silver properties held by Columbus Gold into a new public company, Columbus Silver. This has delayed proposed drilling on the project until this IPO is completed, which is expected by the end of the year.

Ownership: Columbus Gold acquired a 100% interest in the property in January 2007. Under the terms of the lease agreement, the company must make annual payments totaling approximately US$183,300 over 10 years. The company can purchase the claims during the 10 year lease for US$2 million. The underlying owners hold an undisclosed production royalty.

Geology and Mineralization: The target at Silver Dome is disseminated silver mineralization associated with fine grained galena within calcareous sandstones. There is very little outcrop exposure, but sampling identified disseminated mineralization from 15-100 g/t silver within a 1 kilometer by 100 meter zone. The company is aiming for bulk mineable silver mineralization amenable to open pit mining, similar to the Rochester Mine owned by Couer d'Alene Mines (TSX:CDM) located in northwestern Nevada. The Rochester Silver Mine is the world's seventh largest primary silver mine. It has an average grade of 18-30 g/t silver (0.66-1.03 ounces/ton).

Metallurgy: The company has completed preliminary work that indicates the ore has favorable metallurgy and is amenable to heap leach or conventional cyanide recovery. Recovery rates averaged 71% for the 16 metallurgical samples tested. This indicates a low cost production possibility. Open pit, heap leach operations are usually very low cost. We believe due to the low-grade nature of the ore, a large tonnage of ore will have to be identified for an economically viable mining operation.

Current Work: The property has never been drilled. The company has completed mapping, sampling and geophysics to determine the depth to bedrock. The company plans to drill the property in early 2008.

Resource Estimate: This property does not have any historic or NI 43-101 compliant resource estimates at this time.

NEVADA

Dutch Flat Property

Property Overview: The 953 hectare (2,355 acre) Dutch Flat Property is located at the northern end of the Battle Mountain-Eureka Trend.

Ownership: Columbus maintains 100% interest in this property, subject to NSR royalties. In August 2006, the company optioned the property to Piedmont Mining. Under the terms of the agreement, Piedmont can earn an initial 51% by paying US$35,000 and incurring US$2 million over a five year period (minimum expenditure of US$200,000 in the first year). Upon earning 51% interest, Piedmont can enter into a joint venture agreement with Columbus Gold or can earn an additional 19% interest by funding a positive feasibility study. Then, Columbus may elect to maintain 30% interest through a joint venture or receive a 2% NSR royalty.

Accessibility and Infrastructure: The Dutch Flat property is located approximately 32 kilometers (20 miles) northeast of Winnemucca, Nevada.

Historic Exploration/Production: The Dutch Flat property covers the historic Dutch Flat mining district, which was mined for gold from both alluvial (placer) and bedrock in the early 1900s. Amax and Brican Resources Ltd. drilled 49 holes totaling 4,380 meters (14,381 feet) in the 1980s.

Geology and Mineralization: Gold mineralization is found in hornfelsed shales and siltstones that have quartz veins and veinlets associated with faulting and fracturing. Historic exploration outlined a broad zone of low-grade gold over 1.22 kilometers (4,000 feet) strike length that is open to both sides and at depth. The company has identified other large bodies of disseminated gold mineralization and higher-grade vein systems that have not been tested before.

Current Work: Columbus Gold has completed mapping, sampling, and a ground magnetic survey. Piedmont began drilling in September 2006, and announced Phase I drilling results in January 2007. They drilled 388 meters (1,275 feet) of reverse circulation (RC) drilling in 17 holes to confirm the drilling results of AMAX Gold in the 1980s. 11 of the 17 holes intersected mineralization over 0.34 g/t gold (0.01 oz/ton) over widths of 1.5 – 12.2 meters. Nuggetized gold was observed in several holes, such as 3 meters of 1.86 g/t gold including 1.5 meters of 3.5 g/t gold.

A Phase II drilling program is underway to test new mineralized areas and extend the size of the deposit. This program consists of shallow angled holes extending 90-122 meters (300-400 feet) depth and eight deeper holes to test deeper vein zones and a gold skarn target.

Resource Estimate: This property does not have any historic or NI 43-101 compliant resource estimates at this time.

Del Oro Property

Property Overview: The 1,200 acre Del Oro property is located in the Goldbanks mining district of Nevada. This district is known for Kinross's (TSX: K) Goldbanks Mine project, which they have been attempting to put into production since 1996. This property has been optioned to Ventura Gold (TSXV: VGO).

Ownership: Ventura Gold has an option to earn an initial 51% interest in the property by paying US$50,000 in cash or shares to Columbus Gold and spending $2 million on exploration over five years. Upon earning 51% interest, Ventura can earn an additional 19% interest by completing a positive feasibility study.

Geology and Mineralization: Gold mineralization at Del Oro is found in vein and disseminated stockwork deposits hosted by volcanic and sedimentary rocks. A number of gold anomalies remain to be tested.

Current Status: No work has been announced on the property at this time.

The company has three properties with historic resource estimates.

Golden Mile Property

Property Overview: The 158 hectare (392 acre) Golden Mile property is located in the Walker Mountain Gold Belt of southwestern Nevada, along the border with California. The company has advanced the Golden Mile property through two drilling programs and the results have indicated mineralization in the 0.5-3.0 g/t gold range. This property is a historic producer, having produced 10,000 tonnes of ore grading 12 g/t gold in the 1930s. The property has been optioned to Portage Minerals Inc., a private company based in Toronto. Portage expects to complete their initial public offering in the first half of 2008.

Ownership: The company announced the option of the Golden Mile to Portage Minerals

Inc. in October 2007. Portage has an option to earn an initial 60% interest in the property by paying 500,000 in shares to Columbus Gold and spending US$2.5 million on exploration over five years. Upon earning 60% interest, Portage can earn an additional 10% interest by completing a positive feasibility study.

Resource Estimate: The Golden Mile property has a historic resource estimate calculated by Battle Mountain Exploration in 1989. This resource is not NI 43-101 compliant, but was calculated on the same level as the present inferred resource. Based on drilling in the Main Zone, a resource of 156,000 tons of ore at 0.2 ounces/ton gold was estimated.

Four Metals Property

Property Overview: The 355 hectare (826 acre) Four Metals property has been significantly advanced to a historic resource estimate and mine plan. It was also a historic copper producer. The primary focus is copper and molybdenum, with secondary gold and silver. The property was joint ventured to Black Pearl Minerals Consolidated Inc. (TSX.V:BLK). Black Pearl can earn 100% interest over the next 5 years by paying US$250,000, expending US$1.25 million on exploration, and issuing 1 million shares. Columbus Gold maintains a 3% NSR of which 1.5% can be purchased for US$3 million.

Current Work: The company announced in March 2007 that Black Pearl had begun drilling on the property. Black Pearl has released the results of this seven hole, 996 meter drilling program, which were largely positive and confirmed historic grades. Through drilling and historic exploration, Black Pearl believes they have defined a 300 meter by 200 meter breccia pipe with 500 meters of vertical mineralization. Black Pearl has announced that a NI 43-101 compliant resource estimate is underway.

Resource Estimate: This property has a historic resource estimate calculated in 1996 by Metallic Ventures. This resource, although not NI 43-101 compliant because it was calculated before the NI 43-101's inception, was calculated using stringent guidelines. Extensive drilling, underground development, and computer modeling including a GEMCOM open pit model, were used to calculate this resource. This resource is 21.41 million tons grading 0.58% Cu (at 0.29% Cu cut-off) that is believed to be amenable to open pit development with a stripping ratio (waste:ore) of 0.93. Within this open pit zone was a supergene zone of 7.84 million tons grading 1.20% copper, 0.066% molybdenum, 0.009oz/ton gold and 0.08 oz/ton silver. Metallic Ventures developed a conceptual open pit mine plan that proposed to use in-situ copper leaching technology by utilizing underground development and injection wells.

Silver District Property

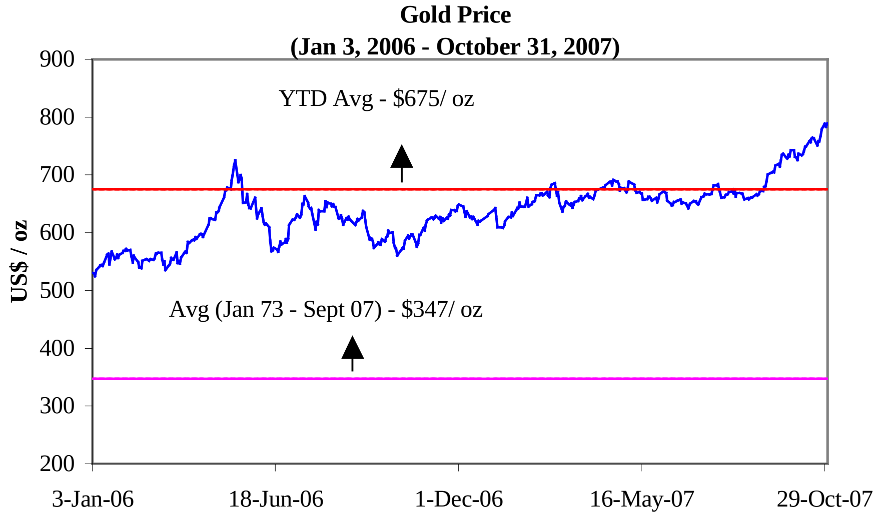
Property Overview: The 1,118 hectare (2,763 acre) Silver District property in southwestern Arizona has not been joint ventured at this time. Although new to Columbus Gold, the Silver District property is at a more advanced stage, as it was explored to the level of a historic resource and scoping study/prefeasibility work in the 1970s, 80s, and 90s.

Current Work: The company is completing preliminary work including mapping, sampling, and geophysics to prepare the property for joint venture. No results have been released at this time.

Resource Estimate: The Silver District property has a historic resource estimate of 16 million ounces silver. The total resource calculated by New Jersey Zinc and Orbex Minerals is 3,820,000 tons grading 4.60 ounces per ton silver for a total resource of 17.5 million ounces silver, and Columbus Gold believes approximately 16 million ounces of this resource is found on their properties.

Outlook for Gold

The chart below shows gold prices since January 2006. As of October 31, 2007, gold was trading at US$790/oz, which reflects a YOY increase of 29%.



Source: KITCO

Although gold prices have risen considerably in the past few weeks, and is currently trading at record highs, we have maintained our positive outlook on gold due to the following macro economic conditions:

Gold is traditionally viewed as a capital preservation asset and regarded as a better hedge against the U.S. dollar, inflation and geopolitical risks, than any other commodity. Historically, gold prices have been negatively correlated to the U.S. dollar. The U.S. dollar is expected to depreciate with respect to other major global currencies, based on an expected slow down in the U.S. economy, and relatively lower real interest rates in the U.S., compared to other major countries in the world.

The U.S. housing industry is not expected to recover before mid-2008, and recently, the U.S. economy reported job losses for the first time in four years. Both these factors further signal a slowdown in the U.S. economy. The U.S. Federal Reserve cut interest rates by 75 basis points (to 4.50%) in their last two meetings, as a move to tackle the ongoing credit crunch problems and the softening U.S. housing industry. All these factors suggest that the U.S. dollar will depreciate further going forward, which will help gold prices stay high.

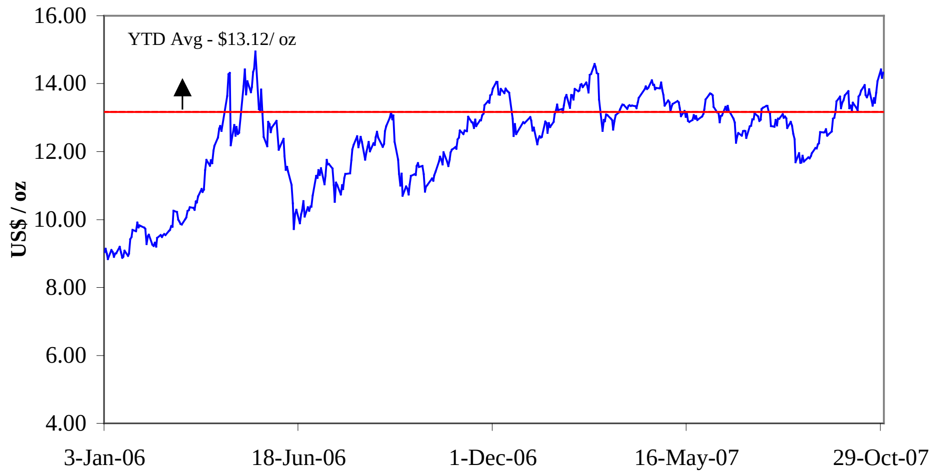
We have also noticed a positive correlation between gold and oil prices, in times of high oil prices. High oil prices create inflationary expectations among investors and lead them to drift towards gold. Oil is currently trading at record highs (US$94/bbl), and prices are expected to stay above $70.00/bbl for the rest of the year and 2008, which we believe will also have a positive effect on the demand for gold.

Therefore, based on a forecasted depreciation in the U.S. dollar, higher inflationary expectations, relatively lower U.S. real interest rates, and high oil prices, we continue to be bullish on gold prices. We do not expect prices to move up from current levels for the rest of the year, however, we expect prices to gradually move up, as the U.S. economy moves closer to a recession. The average forecasts for gold prices are US$670/oz in 2007, and US$749/oz in 2008.

Outlook for Silver

The chart below shows silver prices since January 2006. As of October 31, 2007, silver was trading at US$14.32/oz, which reflects a YOY increase of 16%.

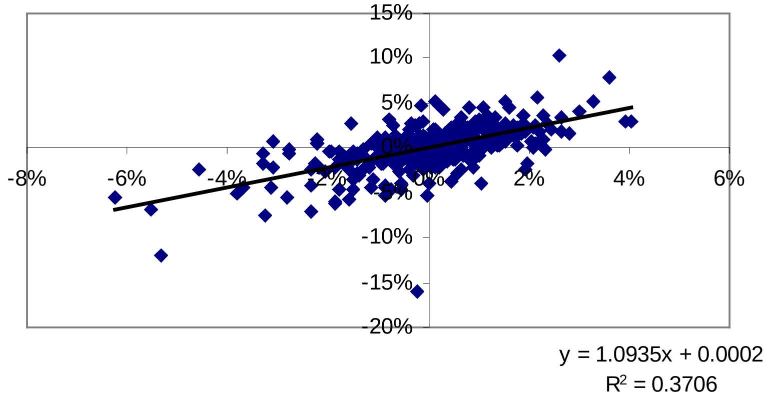
Silver Price
(Jan 3, 2006 - October 31, 2007)



Source: KITCO

Although the supply and demand fundamentals of silver play a key role in setting prices, we believe silver prices will continue to follow gold in the short-term and mid-term. The chart below shows how silver prices have moved in tandem with gold prices in the past.

Relationship b/w daily percentage changes in Gold & Silver prices (Jan 3, 2006 - August 15, 2007)



Our study shows that a statistically significant coefficient of correlation (0.61) and R^2 (37.1%) existed between daily log changes of gold and silver prices.

Also, we believe that strong investment demand for silver (as of October 10, 2007, iShares Silver Trust assets were 143.48 million oz, which reflects an increase of 584% since the introduction of the ETF in April 2006), amidst decreasing physical demand, will also help prices to stay high. The average forecasts for silver prices are US$13.25/oz in 2007, and US$14.50/oz in 2008.

Financials

In the first nine months of FY2007 (ended June 2007), the company recorded a net loss of $1.14 million (EPS: -$0.06), compared to a net loss of $1.21 million (EPS: -$0.09) in the comparable period in the previous year. We estimate the company had a burn rate (cash spent on operating and investing activities) of $0.22 million per month in the first nine months of FY2007, compared to $0.38 million per month in FY2006 (12-month period). The table below shows the company's cash and liquidity position.

	2005	2006	2007-Q2
Working Capital	1,568,717	3,655,967	3,677,319
Current Ratio	25.0	18.3	102.4
LT Debts/ Assets	-	-	-
Burn Rate (incl exploration costs)	(240,308)	(376,014)	(215,394)
Cash from financing activities	2,742,523	4,599,298	1,437,864

Cash (including term deposits) and working capital at the end of June 2007, were $3.58 million and $3.68 million, respectively, compared to $3.68 million and $3.66 million at the end of FY2006 (ended September 2007).

Stock Options and Warrants: At the end of June 2007, the company had 2.12 million stock options outstanding (1.98 million are currently 'in-the-money' – assuming that none of the outstanding options were exercised since the end of June 2007), with a weighted average exercise price of $0.93 per share, and a weighted average time to maturity of 4 years. On

October 11, 2007, the company announced it received approval from the Exchange to re-price 0.19 million of its outstanding stock options that have exercise prices of $1.40, $1.45 and $1.68 to an exercise price of $1.25.

The company also had 5.15 million warrants (all of them are currently 'in-the-money' - assuming that none of the outstanding warrants were exercised since the end of June 2007) outstanding, with a weighted average exercise price of $1.25, and a weighted average time to maturity of 0.54 years.

Conclusions: Based on a burn rate of $0.22 million per month, we believe the company is in a good cash position. We do not believe the company will have to raise additional capital in the next 10-12 months.

Valuation

Since the company follows a joint venture model, we believe we cannot account for the upside potential of each and every project of the company at this time. We have continued to use a sum-of-parts approach to value the company. We have valued projects with resource estimates (historic) based on the value of the resources. For the other projects with no resource estimates, we have used a comparables analysis.

Only three of the company's 28 projects have historic resource estimates. In our initiating report, we had valued only one of those three, the Silver District project. We had not valued the Golden Mile project as it has a very small resource estimate, and is in a relatively very early stage. As for the Four Metals Project, we did not value it as CGT has only 0.75% NSR in the project (assuming BLK increases its ownership to 100%, and buys 0.75% of CGT's 1.5% NSR). However, we believe we were overly conservative then, and therefore, we have accounted for the value of the Four Metals project in this report.

Valuation of the Silver District Project: We have lowered our real options valuation on the project from $0.84 per share to $0.53 per share due to the following reasons.

- Share dilution – Raised our estimate of the number of diluted shares from 20.18 million to 22.68 million.
- Delayed commencement of production by one more year.
- Lowered our estimate of the annualized standard deviation of silver prices from 38% to 37%.
- Lowered our long-term forecasts on C$/US$ from $1.15 to $1.10.

We also increased our long-term silver price forecasts from US$11/oz to $12/oz, which slightly offset the drop in valuation. A summary of our revised valuation model is shown below.

Silver District - Real Options Valuation Model						
	Resources	Category	Grade	Contained Metal	Price	Value
	(in tonnes)		(oz/tonne)	(in troy oz)	(US$/oz)	(C$)
Silver	3,200,000	historic	5.04	16,128,000	12.00	180,956,160
Operating Costs ($/tonne)	$25.00			Total Value (C$)		$180,956,160
Recovery (Ag)	85%			Operating Costs (C$)		$80,000,000
C$/US$	1.1			**Net Value (C$)**		**$100,956,160**

Inputs relating to the underlying asset				
Estd. Mineral Resources (in tons)				3,200,000
Estd.Value of Minerals if extracted today				$76,344,051
Annualized Standard Deviation of Mineral prices				37%
Capital Investment				$50,000,000
Estd. Mine Life (years)				11.0
Riskfree Rate				4.20%
Output				
Stock Price	$76,344,051		T.Bond rate	4.20%
Strike Price	$50,000,000		Variance	0.14
Expiration (in years)	11.0		Annualized div yield	9.13%
d1 =	0.517			
N(d1) =	0.698		Value of Option	$12,029,291
d2 =	-0.708		No of outstanding shares (diluted)	22,680,182
N(d2) =	0.240		**Value per share**	**$0.53**

Valuation of the Four Metals Project (CGT's share): We made the following assumptions in our analysis.

- Assumed that CGT's claims will include only half the historic resource estimate.
- Accounted for only half the historic resource estimate in our valuation, for conservatism.
- Assumed that BLK will increase its ownership to 100%, and buy 0.75% of CGT's 1.5% NSR interest. Therefore, we have valued CGT's interest in the project, based on a 0.75% NSR.

We valued the company's 0.75% NSR at $1.34 million, or $0.06 per share.

Valuation of all other projects: As mentioned earlier, we have continued to value all the projects that do not have resource estimates based on comparables analysis. We have valued the projects based on the average ratio of enterprise value (EV) to mineral assets (book value – cash spent on properties to date) of comparables. We believe EV/Mineral Assets is a good metric to value early stage mining projects.

The table below shows our comparables analysis. Like CGT, all four comparables that we included in this analysis pursue a joint venture model, with properties primarily in North America.

Comparables Valuation Model						
	Company	SYM	Price	Enterprise Value	Mineral Assets	EV / Mineral Assets
1	Miranda Gold Corp.	MAD	$1.27	$44,199,267	$911,059	48.5
2	Almaden Minerals Ltd.	AMM	$2.90	$110,198,733	$8,140,853	13.5
3	Eagle Plains Resources	EPL	$0.80	$36,927,254	$6,565,051	5.6
4	Cornerstone Capital Resources Inc.	CGP	$0.74	$32,033,283	$6,944,666	4.6
5	Columbus Gold	CGT	$1.16	$26,309,011	$3,299,979	
					Average {excluding (1)}	**7.9**
		Fair Value of CGT's Properties				**$1.15**

Stock prices are as of October 30, 2007
Since the ratio of Miranda Gold Corp. is very high compared to its peers, we have not used it to calculate the average ratio.

The average ratio of EV/Mineral Assets increased from 6.9 to 7.9 since our previous report. However, our value per share estimate dropped due to share dilution. Our revised fair value is $1.15 per share (down from our previous estimate of $1.24 per share).

A summary of our revised valuation is shown below.

Valuation Summary	Value	VPS
Silver District Property	$12,029,291	$0.53
Four Metals Property	$1,337,141	$0.06
Other Properties	$26,151,210	$1.15
Working Capital	$3,677,319	$0.16
Debt	-	-
Fair Value	**$43,194,961**	**$1.90**

Adding the company’s working capital to our valuation on the company’s projects, our revised fair value of the company has dropped from $2.10 per share to $1.90 per share. The valuation dropped as we reduced our valuation on the Silver District project, and due to share dilution.

Conclusions & Rating

The company has continued property acquisition and joint ventures to advance their many properties. We expect results from drilling and exploration activity by Columbus’s partners to increase in volume early in the new year. In addition, the potential of the Bolo property may provide considerable upside if drilling results are positive.

Based on our revised valuation models, and review of the company’s projects, we reiterate our BUY rating (Risk 5: Highly Speculative), but lower our fair value estimate on CGT from $2.10 per share to $1.90 per share. Our fair value estimate reflects an upside potential of 64% from current price levels.

Risks

The following risks, though not exhaustive, may cause our estimates to differ from actual results:

- The company has not defined any NI 43-101 compliant resource estimates and does not currently have any operating mines.

- The success of drilling, expansion and determination of favorable resource estimates are important long-term success factors for the company.
- The value of the company depends on commodity prices, primarily gold and silver.

Fundamental Research Corp. Equity Rating Scale:
Buy – Annual expected rate of return exceeds 12% or the expected return is commensurate with risk
Hold – Annual expected rate of return is between 5% and 12%
Sell – Annual expected rate of return is below 5% or the expected return is not commensurate with risk
Suspended or Rating N/A— Coverage and ratings suspended until more information can be obtained from the company regarding recent events.

Fundamental Research Corp. Risk Rating Scale:
1 (Low Risk) - The company operates in an industry where it has a strong position (for example a monopoly, high market share etc.) or operates in a regulated industry. The future outlook is stable or positive for the industry. The company generates positive free cash flow and has a history of profitability. The capital structure is conservative with little or no debt.

2 (Below Average Risk) - The company operates in an industry where the fundamentals and outlook are positive. The industry and company are relatively less sensitive to systematic risk than companies with a Risk Rating of 3. The company has a history of profitability and has demonstrated its ability to generate positive free cash flows (though current free cash flow may be negative due to capital investment). The company's capital structure is conservative with little to modest use of debt.

3 (Average Risk) - The company operates in an industry that has average sensitivity to systematic risk. The industry may be cyclical. Profits and cash flow are sensitive to economic factors although the company has demonstrated its ability to generate positive earnings and cash flow. Debt use is in line with industry averages, and coverage ratios are sufficient.

4 (Speculative) - The company has little or no history of generating earnings or cash flow. Debt use is higher. These companies may be in start-up mode or in a turnaround situation. These companies should be considered speculative.

5 (Highly Speculative) - The company has no history of generating earnings or cash flow. They may operate in a new industry with new, and unproven products. Products may be at the development stage, testing, or seeking regulatory approval. These companies may run into liquidity issues, and may rely on external funding. These stocks are considered highly speculative.

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