COLOSSUS
MINERALS INC.

(A development stage company)

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Quarter Ended March 31, 2013

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

The following Management Discussion and Analysis ("MD&A") provides information that management believes is relevant to an assessment and understanding of the consolidated financial condition and results of operations of Colossus Minerals Inc. ("Colossus" or the "Company") and its subsidiaries. This MD&A should be read in conjunction with the Company's unaudited condensed consolidated interim financial statements for the periods ended March 31, 2013 and 2012, and related notes thereto which have been prepared in accordance with International Financial Reporting Standards ("IFRS"). This MD&A contains "forward-looking statements" that are subject to risk factors set out in a cautionary note contained herein. The reader is cautioned not to place undue reliance on forward-looking statements. Unless otherwise indicated, this MD&A has been prepared as of May 15, 2013. Additional information relating to the Company, including the Company's Annual Information Form, is available on SEDAR at www.sedar.com. The reporting currency is United States Dollars ("USD") and all amounts disclosed are in USD unless otherwise indicated and tabular amounts are in thousands, unless otherwise noted. This MD&A also contains references to Canadian Dollars and Brazilian Reals, Canadian Dollars are referred to as "C$" and Brazilian Reals are referred to as "R$". The exchange rate used in this MD&A is based on USD/R$ exchange rate of 2.01 as at March 31, 2013.

Unless the context indicates otherwise, a reference to "Colossus" or the "Company" in this MD&A means Colossus Minerals Inc. and, as applicable, its subsidiaries.

Corporate Overview

Colossus is a development stage mining company focused on putting into production a high grade gold and platinum group metals project located in Brazil. The Company does not currently have any mineral properties that are in production or that contain a reserve as defined by National Instrument 43-101 ("NI 43-101").

The Company was formed in February 2006 for the purpose of acquiring, exploring and developing mineral properties in Brazil. The Company does not have any projects that generate revenue at this time. The Company's ability to carry out its business plan may rest with its ability to secure equity and other financings to complete the construction of the Serra Pelada Mine. The Company's common shares ("Common Shares") were listed for trading on the Toronto Stock Exchange on February 13, 2008 under the symbol "CSI" and on the OTCQX on March 1, 2012 under the symbol "COLUF".

The Company has one wholly-owned subsidiary which is considered to be material: Colossus Mineração Ltda. (formerly Colossus Geologia e Participações Ltda.) ("Colossus Brazil"). Colossus Brazil's 75% owned subsidiary, Serra Pelada - Companhia de Desenvolvimento Mineral, holds title to the Serra Pelada gold-platinum-palladium property.

The Serra Pelada Mine consists of exploration license, 850.425/1990 covering 100 hectares located in Pará, Brazil, the 700 hectares referred to in the Vale Option Agreement, and the 74 hectares referred to in the CC Agreements (collectively, the "Serra Pelada Mine"). The Company exercised its option under the Vale Option Agreement on March 18, 2013 and is currently working with Vale SA to complete the conditions of the option exercise. The Serra Pelada Mine is the Company's only material property and, as a result, the costs and cash needed to explore and develop the Serra Pelada Mine will have the greatest proportional impact on the Company's financial results.

CONSTRUCTION AND DEVELOPMENT ACTIVITIES

Total underground development is approximately 1,950 metres: 1,250 primary and 700 secondary. Principal mining activities during the first quarter of 2013 have included the extraction of the bulk sample, which is ongoing, and that includes the development of two access points into the mineralized material zone.

In the process of collecting the bulk sample, the Company has taken a rigorous and cautious approach and is conducting a comprehensive geotechnical evaluation of ground control techniques and a number of different mining methods. Preliminary results from this geotechnical evaluation indicate that a more cost effective alternative to underhand-cut-and-fill may be achievable in certain sections of the mineralization. A final determination will be made ahead of the commencement of production. This evaluation led to the procurement of new equipment and ground support tools which are now on site. The information gathered from this work is assisting management in determining whether an alternative mining method will be viable for the Central Mineralized Zone ("CMZ") which could potentially lead to better mining parameters than are currently being modeled.

The bulk sample has been changed in scope as a result of the recognition of additional mineralization during the course of development. The Company encountered mineralization 30 to 40 metres ahead of the CMZ (as that zone is interpreted from surface drilling) and is planning to expand the bulk sample in order to incorporate the collection and geological interpretation of this additional mineralization. As a result, management now expects to complete collection of the bulk sample before the end of the second quarter of 2013. The bulk sample excavation will be extended to become the first mining level and approximately 10,000 tonnes of material will be stockpiled during June and July, in advance of commissioning the process plant.

Results from the expanded bulk sample program will be incorporated into the initial NI 43-101 resource estimate which will be completed after the processing of the bulk sample and the subsequent analysis of results. Given the Company's ability to process material on site commencing in August, management, in conjunction with its consultants, has decided to treat the entire bulk sample through the process plant. Given the new information and projected turnaround times for overseas shipping, processing and receiving results, management believes the grade of the bulk sample can be ascertained more quickly, and at lower cost, by keeping it on site rather than sending it to a test lab outside of Brazil. Management expects the results from the first few months of mining and processing, inclusive of the results from processing of the bulk sample, to enable the Company to better project grades and tonnage for production through to the end of December 2014.

Early in the first quarter of 2013 two new drill bays were established in the bulk-sample access drive to continue the Company's underground drilling program, conducted for delineation purposes and to gather geotechnical information. These new drill bays allow the Company to drill shorter holes (maximum total length of 150 metres). Later in the first quarter of 2013 one of these drill bays was converted into a second access for the bulk sample. This drill bay will be reestablished in the second quarter of 2013. During the first quarter of 2013, the equipment and methods used for drilling through challenging ground required adjustment in order to achieve consistent results. As a result, drilling fell short of plan.

Work progressed on the mining plan during the first quarter of 2013 taking into account the geotechnical information gathered through the bulk sample collection process. The Company anticipates that production of 1,000 tonnes per day will be achievable with six working faces over two operating horizons. While work on the mine plan is ongoing, management believes that 1,000 tonnes per day will be reached by the end of the first quarter of 2014.

In conjunction with continued development through the mineralized zone, the Company has continued to develop additional underground infrastructure necessary to achieve 250 tpd of production in the third quarter of 2013. Construction activities include expansion of the ventilation facilities and continued development of the primary decline. The ventilation expansion includes widening and concrete lining the artisanal shaft which will be used as a ventilation raise and development of a drift to tie the ramp to this ventilation raise at depth. The ventilation expansion project, which is 40% complete, will allow the Company to start using multiple sets of equipment underground. Development of this drift towards the ventilation raise is entirely in red siltstone and development rates have been as expected with approximately 60 metres complete and 90 metres of development remaining to complete this drift. In addition to the ventilation described above, installation of the site-wide power reticulation system was completed.

On April 11, 2013, the Company received an extension of the Installation License which expired on April 13, 2013 from Secretaria Estadual de Meio Ambiente (SEMA) to April 11, 2014.

The seven Caterpillar machines purchased under the November 2012 finance agreement with Caterpillar Finance were also delivered to site and commissioned in the first quarter of 2013.

Construction Schedule

The various phases of construction, along with respective percentages complete are presented in the table below. The earthworks and ball mill refurbishment for the process plant are complete.

	March 27, 2013	May 15, 2013
Total Project	**70%**	**80%**
Process Plant		
Engineering	97%	99%
Procurement	97%	98%
Civil construction	90%	95%
Structural steel fabrication	55%	70%
Structural, mechanical, piping & electrical installation	30%	35%
Power house	**85%**	**90%**
Ventilation upgrade	**20%**	**40%**
Tailings impoundment facility	**11%**	**20%**

Process Plant

The Company has completed 95% of the concrete placement and civil contractors have been 50% demobilized. Civil construction work is currently focused on the gold room. The project is well advanced with structural, mechanical, piping and electrical installations in various areas of the project including the primary crusher, transfer tower, conveyors, reagents building, mill feed bin, thickener and gold room. Of the approximately 570 tonnes of structural steel to be erected 70% has been fabricated and 35% has been erected. The thickener fitting and welding is substantially complete and the bridge has been installed. Several pieces of major equipment have been placed (including pumps, tailings sampler, primary and secondary crushers and apron feeder) and preparations to install others are advanced. Commissioning remains on schedule to commence early in the second half of 2013.

The Company received delivery of the Gekko reactors, Falcon concentrators, hydrocyclones, and the electrowinning cells during the first quarter of 2013.

Basic engineering and design of the flotation plant is ongoing and will be complete in the fourth quarter of 2013 after receipt of metallurgical test results. Management's new plan for treating the bulk sample on site will lead to the availability of more representative metallurgical test material than would be provided from the original plan of testing ten 300 kilogram samples. Construction of the flotation plant is expected to commence in the first quarter of 2014 and is expected to be complete by the end of the first half of 2014

Infrastructure

Surface construction activities continue to focus on the power generation building and tailings dam. Construction of the power generation building and is approximately 90% complete. The diesel generators were installed late April 2013 and are currently being commissioned, with 100% capacity expected by the time the process plant commences operation. For the purpose of operating all current mine services and infrastructure, 50% power generation capacity is sufficient. The power generation building is designed to allow connection with a 34.5 kV transmission line constructed by Equatorial Energia SA ("Equatorial Energia") (formerly Centrais Eléctricas do Parà SA or CELPA). The power supplied by Equatorial Energia will be lower cost and will be backed up by power from the diesel generators, which are being commissioned as noted above. Equitorial Energia recently advised the Company that connection to the grid is now scheduled for the end of the second quarter 2013. Increased power consumption will not occur until the process plant is operational early in the second half of 2013. Therefore, this slight delay in connecting to the grid is not anticipated to have a material impact on the Company's construction schedule or costs.

Detailed engineering of the tailings dam was completed by Golder Associates Ltd. in the first quarter of 2013 and construction commenced. The tailings dam construction is 20% complete and remains slightly ahead of schedule. Earthworks are ongoing and the facility is expected to be ready to accept tailings in conjunction with the process plant commissioning.

Community Projects

The Company is committed to establishing a social contract with the village of Serra Pelada and is assisting to build a sustainable community. The Company's community plans are designed with input from local leaders in order to encourage community involvement with the Company's programs. As such, the Company has formed a working group composed of Company representatives and local leaders to discuss community programs and investments.

In the Serra Pelada Village Center for Community Development, created and maintained by the Company, courses and workshops are provided to assist in improving local education and income generation potential. Courses are taught in partnership with nationally accredited training institutions (SENAI/SENAC/SEBRAE). The courses provided during first quarter 2013 were: electrical installation, diesel mechanics, mobile equipment operator, small business management program and digital inclusion. These programs provide nationally recognized certificates.

CORPORATE AND GENERAL

On March 18, 2013, the Company exercised its option under the Vale Option Agreement. The Company is currently working with Vale SA to complete the conditions of the option exercise. After receipt of all documentation from the Company, Vale SA will have 45 days to confirm that the exploration investments and other conditions of the option exercise have been met (the "Vale Confirmation"). The assignment of the mining rights on Area B to SPCDM is expected to occur within 30 days after the Vale Confirmation in accordance with the Vale Option Agreement.

Alberto Arias, Founder, General Partner and Portfolio Manager of Arias Resource Capital Management LP, was appointed to the board of directors effective March 28, 2013. Arias Resource Capital's shareholdings in the Company are approximately 12.4% of the common shares outstanding.

EXPLORATION ACTIVITIES

During the first quarter of 2013, the Company spent $0.7 million on exploration. Surface exploration consisted of seven HQ to NQ caliber diamond drill holes totaling 733 metres.

Serra Pelada Mine

During the first quarter of 2013, underground delineation and geotechnical drilling was conducted with three geotechnical and eight exploration holes totaling 660 metres of HQ caliber core drilled.

Work on the mine development planning and stope sequencing was ongoing throughout the first quarter of 2013. This work will be used in the initial NI 43-101 compliant resource estimate for the mineralized material anticipated to be mined in the first 12 months of production.

On February 28, 2013, the Company announced assay results from surface and underground drilling programs at Serra Pelada. Highlights included, SPD-182 intersected 3.40 metres grading 13.28 g/t gold, 0.02 g/t platinum and 0.06 g/t palladium and SPD-184 intersected 26.65 metres grading 5.10 g/t gold, 11.22 g/t platinum and 9.42 g/t palladium also increasing the width of the CMZ in this location. Highlights from SPUD-018 include 0.80 metres grading 23.07 g/t gold and 3.60 metres grading 24.37 g/t gold, 0.28 g/t platinum and 0.88 g/t palladium. The mineralization began roughly 20 metres before what the model predicted and represents a portion of the upper limb mineralized zone as it transitions into the upper part of the CMZ. The drilling continues along this section to delineate the CMZ at 10 metre intervals.

Cutia Property

A 4,000 metre diamond drilling program commenced in February 2013. During the first quarter of 2013, a total of 13 drill holes have been completed and an additional drill hole is underway. The details of these holes will be released shortly. The drilling is focused on testing the Cutia fault zone which hosted the artisanal pits that have been mined on the property. The initial drilling will focus on a strike length of approximately 600 metres and will test the area beneath and the distance in between each of the major pits, prior to testing the beneath surface showings of quartz veining and brecciation discovered during last year's prospecting program.

Results of Operations for the three months ended March 31, 2013

The net loss for the three months ended March 31, 2013 was $0.3 million ($nil per Common Share) compared with a net loss of $11.1 million ($0.11 per Common Share) for the comparable period in 2012. The reduction in the net loss in 2013 can be attributed, in part, to the following factors:

- Corporate administration costs for the three months ended March 31, 2013 were $4.7 million ($0.04 per Common Share) compared with $5.9 million ($0.06 per Common Share) for the comparable period in 2012. The decrease in costs in 2013 is mainly attributable to stock-based compensation expense and Brazil administrative costs.

- In the three months ended March 31, 2013, $1.2 million of stock-based compensation ($1.1 million corporate administration and $0.1 million exploration) was expensed compared with $2.1 million of stock-based compensation ($1.9 million corporate administration and $0.2 million exploration) in the comparable period in 2012.

- Finance income for the three months ended March 31, 2013 was $5.5 million compared with $0.3 million for the three months ended March 31, 2012. The increase in finance income is primarily due to the change in the fair value of the long-term debt.

- Corporate administration costs were impacted by foreign exchange fluctuations. Corporate administration costs are denominated in C$ and R$ and translated to USD for financial statement presentation purposes. Currency impacts accounted for a decrease of approximately $0.06 million in total corporate administration costs.

- Corporate administration costs for the three months ending March 31, 2013 and 2012 comprised the following:

	For the three months ended March 31, 2013	**For the three months ended March 31, 2012**
Stock-based compensation	$1.1	$1.9
Brazil administration expense	1.2	2.0
Head office salaries and benefits	0.9	0.7
Head office administration & IT	0.7	0.7
Directors fees, regulatory costs, investor relations	0.8	0.6
	$4.7	$5.9

Exploration expense for the three months ended March 31, 2013 was $0.7 million ($0.01 per Common Share) compared with $4.0 million ($0.04 per Common Share) for the three months ended March 31, 2012.

Of the $0.7 million of exploration expense during the three months ended March 31, 2013, $0.4 million relates to salaries (compared with $1.0 million in 2012) and $0.1 million relates to stock-based compensation for the Company's in-house geologists (compared with $0.2 million in 2012) while the remaining $0.2 million relates to drilling, assaying and other exploration related activities (compared with $2.8 million in 2012).

Interest income for the three months ended March 31, 2013 was $0.03 million compared with $0.3 million for the three months ended March 31, 2012. The decreased in interest income primarily reflects the impact of a higher cash balance resulting from the financing completed in November 2011.

Finance income for the three months ended March 31, 2013 was $5.5 million compared with $0.3 million for the three months ended March 31, 2012. The increase in finance income is primarily due to the change in the fair value of the long-term debt.

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Summary of Quarterly Results

	Q1 – 2013	Q4 – 2012	Q3 – 2012	Q2 -2012
Total revenues	-	-	-	-
Net loss for the period	$294	$598	$14,051	$4,308
Comprehensive loss (income) for the period	$ (3,267)	$ (1,925)	$15,693	$16,453
Weighted-average number of Common Shares outstanding	106,734,253	106,118,608	106,030,048	105,944,144
Basic and diluted loss per Common Share	-	-	$0.13	$0.04

	Q1 – 2012	Q4 - 2011	Q3 -2011	Q2 -2011
Total revenues	-	-	-	-
Net loss for the period	$11,106	$9,300	$8,565	$8,060
Comprehensive loss for the period	$9,428	$13,627	$15,136	$11,634
Weighted-average number of Common Shares outstanding	105,709,778	104,208,379	103,514,770	102,828,933
Basic and diluted loss per Common Share	$0.11	$0.09	$0.08	$0.08

Liquidity and Capital Resources

Cash and cash equivalents as at March 31, 2013 totaled $32.1 million, compared with $63.6 million as at December 31, 2012. The change in the Company's cash and cash equivalents was attributable to the following key items:

- Project spending on the continuing development of the Serra Pelada Mine of $28.4 million
- Exploration spending and corporate administration costs of $4.0 million
- Proceeds from the exercise of stock options of $1.0 million

The Company employs a restrictive investment policy to limit the concentration of credit risk, to ensure counterparties demonstrate minimum acceptable credit worthiness, and to ensure liquidity of available funds. The Company's investment policy is to invest surplus funds in permitted investments consisting of treasury bills, bonds, notes, and other evidences of indebtedness of Canada with a minimum local credit rating of AA from Standard & Poor's, Moody's or Dominion Bond Rating Service ("DBRS") and maturities of two years or less. In addition, the Company can invest in Brazilian Federal Government issued Treasury bill equivalents and deposit funds into Brazilian banks with a maximum of one year and one month terms, respectively. In addition, the Company can invest a maximum of 50% of total holdings or C$40.0 million, whichever is less, in corporate issued commercial paper with a DBRS rating of R-1 High or higher with a maturity of six months or less.

The ability of the Company to successfully acquire additional mineral projects or to fund exploration and development of current projects has historically been conditional on its ability to secure financing when required. The Company has historically relied on financing to fund operations and the exploration and development of the Serra Pelada Mine. The Company believes that additional financing will be required during 2013 to strengthen working capital as the Company begins commissioning of the process plant and ramp up of the Serra Pelada Mine. The Company's ability to raise additional funds and its future performance are largely tied to the financial markets related to mineral exploration companies. Financial markets are currently volatile, and are likely to remain so throughout 2013 and 2014, reflecting ongoing concerns about the stability of the global economy, sovereign debt levels and global growth prospects. In light of continually changing financial markets, there is no assurance that new funding will be available if required by the Company. Any future equity financing could cause dilution to the present shareholders of the Company.

Precious Metals Purchase Agreement with Sandstorm

In September 2012, Colossus Brazil entered into a precious metals purchase agreement with Sandstorm to sell refined platinum, palladium and gold produced from the Company's 75% owned Serra Pelada property. In return for delivering life of mine payable metal equal to 35% of both platinum and palladium and 1.5% of gold, the Company received an upfront deposit of $75.0 million. In addition to the upfront deposit, Sandstorm will also pay the Company a purchase price equal to the lesser of $400 per ounce of gold, $200 per ounce of platinum, and $100 per ounce of palladium and the prevailing market price. The upfront deposit was recorded as unearned revenue. The percentages of payable metals to be sold by the Company to Sandstorm are calculated based on 100% of payable metals derived from production at Serra Pelada; however, the Company will deliver all metals due under this agreement from its 75% of the Serra Pelada Mine.

The Company has a minimum requirement to produce 260,000 gold-equivalent ounces of payable metals within 48 months after receiving the upfront deposit of $75.0 million. If the Company does not meet the minimum requirements, Sandstorm has the discretion to request a reimbursement of the unused portion of the upfront deposit. In addition, the Company guaranteed certain minimum annual deliveries for the initial 10 year period. The Company's obligations under the agreement are secured by the Company's interest in its principal subsidiaries as well as by certain assets of Colossus Brazil. The amount secured is limited to $10.0 million until the Company's outstanding Senior Unsecured Gold-Linked Note (the "Notes") have been repaid. In addition, the Company has guaranteed the performance by Colossus Brazil of its obligations under the agreement with Sandstorm. The initial term of the contract is 40 years (the "Term"), subject to successive 10-year renewals (the "Extended Term") at the discretion of Sandstorm. If, by the expiry or earlier termination of the Term or the Extended Term (if applicable), the Company has not sold and delivered payable metals to Sandstorm sufficient to repay the upfront deposit of $75.0 million, it will have to reimburse the unpaid portion to Sandstorm.

Under the agreement, the Company has the right to repurchase up to 50% of Sandstorm's obligation to purchase metals for $48.8 million. The Company may exercise this option either as a single purchase or in 10% increments of $9.8 million until April 1, 2015.

Unearned revenue relates to the upfront deposit received from Sandstorm for the future delivery and sale of payable metals at contracted prices. Once deliveries of payable metals are made to Sandstorm, the Company recognizes a portion of the unearned revenue as sales based on the difference between the prevailing market price at time of delivery and the purchase price specified in the agreement.

Contractual Obligations

There have been no material changes since December 31, 2012.

Outstanding Currency Hedges as at March 31, 2013

Currency	Quantity	Premium	Instrument	Exercise Price	Period	Mark-to-Market
USDBRL	$5 million/month	$174,000	Long USDBRL puts	2.0000	Apr – Jun 2013	$(0.1) million
CADBRL	C$2 million/month	-	Selling Forward	1.9000	Apr – Jun 2013	$0.15 million

Off-balance Sheet Arrangements

Colossus does not have any off-balance sheet arrangements.

Related Party Transactions

The Company entered into the following transactions with related parties during the period:

(i) The Company paid consulting fees in the amount of $18,600 (March 31, 2012 — $56,194) to a company owned by a former officer of the Company for business development services. As at March 31, 2013, a balance of $41,353 (March 31, 2012 — $21,019) is due to this company and included in Trade and Other Payables.

(ii) The Company paid consulting fees in the amount of $37,200 (March 31, 2012 — $56,194) to a company owned by a former officer of the Company for geological services. As at March 31, 2013, a balance of $nil (March 31, 2012 — $nil) is due to this company

These transactions are in the normal course of operations and are measured at the exchange value being the amount established and agreed to by the related parties. Amounts due are unsecured and non-interest bearing.

Controls and Procedures

The Company's management, with the participation of the Chief Executive Officer and Chief Financial Officer, has last completed an evaluation of the design and operating effectiveness of the Company's disclosure controls and internal control over financial reporting as at December 31, 2012. Based on this assessment, management has concluded that the Company's disclosure controls and internal controls over financial reporting were operating effectively. The Chief Executive Officer and Chief Financial Officer have evaluated whether there were changes to the ICFR during the period ended March 31, 2013 that have materially affected, or are reasonably likely to materially affect, the ICFR. No such significant changes were identified through their evaluation.

Future Accounting Changes

The Company has adopted the following new standards effective January 1, 2013 and has applied them to the Company's results in accordance with the transitional provisions outlined in the respective standards.

IAS 1 – *Presentation of Financial Statements*

The Company adopted the amendments to IAS 1, *Presentation of Financial Statements* ("IAS 1") on January 1, 2013, with retrospective application. The amendments to IAS 1 require companies preparing financial statements under IFRS to group items within other comprehensive income that may be reclassified to profit or loss and those that will not be reclassified. The Company has amended our consolidated statement of comprehensive loss (income) for all periods presented in these condensed interim consolidated financial statements to reflect the presentation changes required under the amended IAS 1. Since these changes are reclassifications within our statement of comprehensive income, there is no net impact on our comprehensive income.

IFRS 10 **–** *Consolidated Financial* Statements

In May 2011, the IASB issued IFRS 10 **–** *Consolidated Financial Statements* to replace IAS 27 – *Consolidated and Separate Financial Statements* and SIC 12 *Consolidation – Special Purpose Entities*. The new consolidation standard changes the definition of control so that the same criteria apply to all entities, both operating and special purpose entities, to determine control. IFRS 10 establishes control as the basis for an investor to consolidate its investees and defines control as an investor's power over an investee with exposure, or rights, to variable returns from the investee and the ability to affect the investor's returns through its power over the investee. The Company has conducted a review of its entities and has determined that the adoption of IFRS 10 did not result in any change to the consolidation status of any of its subsidiaries.

IFRS 11 – *Joint Arrangements*

In May 2011, the IASB issued IFRS 11 – *Joint Arrangements* to replace IAS 31 – *Interests in Joint Ventures*. IFRS 11 defines two types of joint arrangements: joint operations and joint ventures. A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. IFRS 11 requires that a joint operator recognize its portion of assets, liabilities, revenues and expenses of a joint arrangement, while a joint venture recognizes its investment in a joint arrangement using the equity method. The Company has adopted IFRS 11 and has determined that there is no effect on our financial results or disclosures.

IFRS 12 **–** *Disclosure of Interests in Other Entities*

In May 2011, the IASB issued IFRS 12 – *Disclosure of Interests in Other Entities* to create a comprehensive disclosure standard to address the requirements for subsidiaries, joint arrangements and associates including the reporting entity's involvement with other entities. IFRS 12 requires enhanced reporting of the nature of risks associated with the Company's interest in other entities and the effects of those interests on the Company's consolidated financial statements. The Company has adopted IFRS 12 and has determined there is no effect on our financial results. Any additional disclosures required by the new pronouncements will be included in our annual consolidated financial statements for the year ended December 31, 2013.

IFRS 13 – *Fair Value Measurement*

In May 2011, the IASB issued IFRS 13 – *Fair Value Measurement*. The standard provides a definition of fair value and guidance on how to measure fair value as well as a requirement for enhanced disclosures. IFRS 13 requires that when using a valuation technique to measure fair value, the use of relevant observable inputs should be maximized while unobservable inputs should be minimized. The Company has adopted IFRS 13 and has determined there is no effect on our financial results. Any additional disclosures required by the new pronouncement will be included in our annual consolidated financial statements for the year ended December 31, 2013.

IFRIC 20 – *Stripping Costs in the Production Phase of a Surface Mine*

In October 2011, the IASB issued IFRIC 20 – *Stripping Costs in the Production Phase of a Surface Mine*. IFRIC 20 provides guidance on the accounting for the costs of stripping activity in the production phase of surface mining when two benefits accrue to the entity from the stripping activity: (i) useable ore that can be used to produce inventory; and (ii) improved access to further quantities of material that will be mined in future periods. The Company has adopted IFRIC 20 and has determined that there is no effect on our financial results or disclosures.

The following accounting standard has been issued but is not currently effective:

IFRS 9 – *Financial Instruments*

The IASB intends to replace IAS 39 – *Financial Instruments: Recognition and Measurement* with IFRS 9 – *Financial Instruments*. IFRS 9 establishes two primary measurement categories for financial assets: amortized cost and fair value. IFRS 9 requires that financial assets be classified as amortized cost or fair value based on an entity's business model and the contractual cash flow of the financial asset. Classification is made at the time the financial asset is initially recognized, namely when the entity becomes party to the contractual provisions of the instrument. In December 2011, the IASB issued an amendment to IFRS 9 which deferred the mandatory effective date of IFRS 9 from January 1, 2013 to January 1, 2015. The Company is currently assessing the impact of adopting IFRS 9 on our consolidated financial statements, including the impact of early adoption.

Critical Accounting Policies and Estimates

The Company's management is required to make estimates and assumptions in its application of the Company's accounting policies in the preparation of the consolidated financial statements. These estimates and assumptions affect the reported amounts of assets, liabilities and expenses. These estimates are inherently uncertain and are, or could be, affected by significant factors outside the Company's control. Estimates are reviewed on an ongoing basis based on historical experience and other factors that are considered to be relevant under the circumstances. Revisions to estimates and resulting effects on the carrying amounts of the Company's assets and liabilities are accounted for prospectively. The following have been identified as critical accounting policies and estimates and a change in these policies and estimates could materially impact the financial statements. The Company's complete accounting policies are described in Note 6 to the consolidated financial statements.

Mining Properties

The Company's recorded value of its mineral properties is based on historical costs that it expects to be recovered in the future. The Company operates in an industry that is exposed to a number of risks and uncertainties including exploration risk, development risk, commodity price risk, operating risk, ownership, funding and currency risk, as well as environmental risk. The Company considers both external and internal sources of information in assessing whether there are any indications that mining interests are impaired. External sources of information the Company considers include changes in the market, economic and legal environment in which the Company operates that are not within its control and affect the recoverable amount of mining interests. Internal sources of information the Company considers include the manner in which mining properties and plant and equipment are being used or are expected to be used and indications of economic performance of the assets. All of these factors are potentially subject to significant change and are considered when assessing impairment of mining properties. Accordingly, there is always the potential for a material adjustment to value assigned to mineral properties.

Stock-based Compensation

Equity settled transactions are measured by reference to fair value at grant date. Fair value has been determined using a Black-Scholes option pricing model which has its limitations. The Black-Scholes model relies on estimates of the future risk-free interest rate, future dividends payments, future share price volatility and the expected average life of the stock options all of which could have a significant impact on the determination of stock-based compensation expense and the valuation of the warrants. The Company believes this model adequately captures the features of the stock option awards and warrants and is appropriate to calculate their fair values. Stock-based compensation expense however is a non-cash item which has no impact on the cash resources of the Company.

Outstanding Share Data and Fully Diluted Calculation

The Company is authorized to issue an unlimited number of Common Shares. The holders of the Common Shares are entitled to receive notice of and to attend and vote at all meetings of the shareholders of the Company and each Common Share confers the right to one vote in person or by proxy at all meetings of the shareholders of the Company. The holders of the Common Shares, subject to the prior rights, if any, of any other class of shares of the Company, are entitled to receive such dividends in any financial year as the board of directors may by resolution determine. In the event of the liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary, the holders of the Common Shares are entitled to receive, subject to the prior rights, if any, of the holders of any other class of shares of the Company, the remaining property and assets of the Company. The table set forth below summarizes the capital stock.

Common Shares or Securities Convertible into Common Shares	**May 15, 2013**
Issued and outstanding	106,978,401
Stock options outstanding	8,845,000
Warrants issued at $8.50, expire on November 8, 2016	5,175,000
Future fully diluted	**120,998,401**

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain information contained in this document, including any information relating to Colossus Minerals Inc.'s ("Colossus" or the "Company") future financial or operating performance may be deemed "forward-looking". All statements in this document, other than statements of historical fact, that address events or developments that Colossus expects to occur, are "forward- looking statements". Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by the words "expects", "does not expect", "plans", "anticipates", "does not anticipate", "believes", "intends", "estimates", "projects", "potential", "scheduled", "forecast", "budget" and similar expressions or their negative connotations, or that events or conditions "will", "would", "may", "could", "should" or "might" occur. All such forward-looking statements are based on the opinions and estimates of management as of the date such statements are made and are subject to important risk factors and uncertainties, many of which are beyond the Company's ability to control or predict. Forward-looking statements are necessarily based on estimates and assumptions that are inherently subject to known and unknown risks, uncertainties and other factors that may cause Colossus' actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking statements. Such factors include, without limitation: price levels and volatility in the spot and forward markets for commodities; the uncertainties inherent to current and future legal challenges Colossus is or may become a party to; controls, regulations and political or economic developments in the countries in which the Company does or may carry on business; changes in national and local government legislation in Canada, Brazil or any other country in which Colossus currently does or may in the future carry on business; the lack of certainty with respect to foreign legal systems, which may not be immune from the influence of political pressure, corruption or other factors that are inconsistent with the rule of law; the speculative nature of mineral exploration and development, including the risks of obtaining and maintaining the validity and enforceability of the necessary licenses and permits and complying with the permitting requirements of each jurisdiction that Colossus operates; fluctuations in the international currency markets and in the rates of exchange of the currencies of Canada, the United States and Brazil; significant capital requirements; impact of any hedging activities; taxation; additional funding requirements; loss of key employees; changes in project parameters as plans continue to be refined; accidents; labour disputes; defective title to mineral claims or property or contests over claims to mineral properties; and competition. In addition, there are risks and hazards associated with the business of mineral exploration, development and mining, including environmental hazards, industrial accidents, unusual or unexpected formations, pressures, cave-ins, flooding as well as other risks discussed under the heading "Risks Factors" included in Colossus' latest Annual Information Form filed at www.sedar.com. This MD&A for the three months ended March 31, 2013, is also available at www.sedar.com. Forward-looking statements are not guarantees of future performance, and actual results and future events could materially differ from those anticipated in such statements. All of the forward-looking statements contained in this document are qualified by these cautionary statements. Colossus expressly disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, events or otherwise, except in accordance with applicable securities laws.

Corporate Information *(as at May 15, 2013)*

DIRECTORS

Alberto Arias
John Frostiak (Chairman)[1,2,3]
David Garofalo[1]
Greg Hall[3]
Mel Leiderman[1,2]
Claudio Mancuso
Douglas Reeson[1,2]
John Turner[2]

COMMITTEES
1. Audit
2. Compensation, Corporate Governance & Nominating
3. Health, Safety, Environmental & Community

MANAGEMENT
Claudio Mancuso
Chief Executive Officer

David Anthony
President & Chief Operating Officer

Alden Greenhouse
Chief Financial Officer

Luis Albano Tondo
Vice President, Operations and Country Manager, Brazil

Graham Long
Vice President, Exploration

Ann Wilkinson
Vice President, Investor Relations

Jason Brooks
Vice President, Finance

Lesley Duncan
Vice President, Corporate Secretary

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STOCK EXCHANGE LISTING
Toronto Stock Exchange
Symbol: CSI, CSI.WT.A and CSI.NT

OTCQX
Symbol: COLUF

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