COLT resources

An Exploration Stage Company

MANAGEMENT'S DISCUSSION & ANALYSIS

As at May 30, 2013

This MD&A provides a review of the financial position and results of operations of Colt Resources Inc. (the "Company"), for the quarter ended March 31, 2013 and 2012. It should be read in conjunction with the Company's audited consolidated financial statements and notes to those statements as at and for the years ended December 31, 2012 and 2011.

The Company has prepared its condensed financial statements for the quarter ended March 31, 2013 and 2012 in accordance with International Financial Reporting Standards ("IFRS"). All figures are in Canadian dollar ("CA$") unless otherwise noted.

Additional information regarding Colt Resources Inc, including the Company's Annual Information Form dated February 8, 2013, is available on SEDAR at www.sedar.com

The Company's securities trade on the TSX Venture, OTCQX and Frankfurt exchanges.

FORWARD LOOKING STATEMENTS

Certain of the information contained in this MD&A may contain "forward-looking statements". Forward-looking statements may include, among others, statements regarding future plans, costs, objectives or economic performance, or the assumptions underlying any of the foregoing. In this MD&A, words such as "may", "would", "could", "will", "likely", "believe", "expect", "anticipate", "intend", "plan", "estimate" and similar words and the negative form thereof are used to identify forward-looking statements.

Forward-looking statements should not be read as guarantees of future performance or results, and will not necessarily be accurate indications of whether, or the times at or by which, such future performance will be achieved. Forward-looking statements are based on information available at the time and/or management's good-faith belief with respect to future events and are subject to known or unknown risks, uncertainties and other unpredictable factors, many of which are beyond the Company's control. These risks and uncertainties include, but are not limited to, those described in this MD&A and any other document published by the Company. The Company does not intend, nor does it undertake any obligation, to update or revise any forward-looking statements contained in this document to reflect subsequent information, events or circumstances or otherwise, except if required by applicable laws.

COMPANY OVERVIEW

Colt Resources is a Canadian-based exploration stage company focused on the acquisition, exploration and development of mineral properties in Portugal and Canada. The Company is led by an experienced management and technical team and its strategy is to provide stakeholder value from quality mineral assets located in safe jurisdictions. The Company's common shares are listed on the TSX Venture Exchange (Symbol: GTP), OTCQX (Symbol: COLTF) and the Frankfurt Stock Exchange (Symbol: PO1). The Company is a reporting issuer in the Provinces of British Columbia, Alberta, Ontario and Quebec.

The Company's significant exploration and development projects at March 31, 2013 included the Boa Fé gold project in southern Portugal and the Tabuaco tungsten project (previously Armamar-Meda) in northern Portugal. The Company holds a 100% interest in both projects.

The recoverability of investments in the Company's exploration and evaluation assets are dependent upon the economic recoverability of its reserves, the continuation of the Company's interest in the underlying resource claims and the ability by the Company to obtain necessary financing to complete their development. Although the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be available on acceptable terms.

Volatility in the commodity markets continued throughout the first quarter of 2013 as a result of the debt crisis in Europe and the slow pace of economic recovery in China. News about the economic recovery in the US resulted in higher than usual activity in the financial markets, shifting investors from precious metals into non-commodity based investments. The market for gold suffered some setbacks as result. The outlook for gold prices remains positive, however, they have not been trading near the record levels seen in 2011.

As disclosed in the financial statements, the Company has not earned significant revenue and is considered to be in the exploration and evaluation stage. The Company's current committed cash resources are insufficient to cover expected expenditures in fiscal 2013. The Company's ability to continue as a going concern is also dependent on being able to obtain the necessary financing to satisfy its liabilities as they become due. There can be no assurances that management will be successful in securing adequate financing.

QUALIFIED PERSON

The technical information disclosed in this MD&A has been reviewed and approved by Gareth O'Donnovan of the firm SRK Exploration Services, a Qualified Person (QP) for Colt Resources, as defined by National Instrument 43-101 for the Standards of Disclosure for Mineral Projects.

The Company's technical reports are available under the Company's profile on www.sedar.com

CORPORATE HIGHLIGHTS

The quarter ended March 31, 2013 was marked by volatility in the financial markets, in particular, the equity markets for mineral exploration and junior producers. The uncertainty in the financial markets around the world has resulted in decreased activity equity financings making it more difficult for juniors to finance their projects.

During the reporting period, the Company started a program to affect cost cuts across several functional areas. The results from these cuts are expected to impact the financial statements during the second and third quarter of the current fiscal year ending December 31, 2013.

Management remains cautious in its outlook and its assessment of the macro economic conditions that can potentially affect the funding and development of its projects.

Corporate Finance

On January 7, 2013, the Company announced the first closing from its previously announced Non-Brokered Private Placement ("the Private Placement") of up-to $8,000,000 consisting of up-to 17,777,778 common shares at a price of $0.45. The first closing consisted of 6,000,000 common shares at a price of $0.45 per share with total gross proceeds of $2,700,000. The Company will pay a 6% finder fee in cash and 6% in non-transferable compensation warrants, which will entitle the owner to purchase one additional common share at $0.55 per share. The company also announced it had secured further commitments via subscription agreements including a strategic Asian investor.

On February 6, 2013, the Company announced a second closing of the Private Placement by issuing an aggregate of 2,605,041 common shares at a price of $0.45 per share for total gross proceeds of $1,172,268.

Corporate Development

On February 20, 2013, the Company announced it had been awarded two Experimental Mining Licenses ("EML"). The Tabuaco EML replaces the exploration license under the name of Armamar-Meda, the company's 100% owned tungsten project in Northern Portugal. The company was also awarded the Santo Antonio EML, which replaces the Penedono exploration license. This new license was granted to the Joint Cooperation Consortium formed between Colt Resources and Contécnica a Brazilian company that will become the operator of the project.

On February 25, 2013, the Company announced it had signed an MOU with Star Mining for the joint exploration and development of the Borba License on an earn-in basis. Colt and Star Mining will jointly explore the Borba Licence (Press Release: February 20, 2013) and have agreed that Star Mining will develop a work program and has the right to earn-in progressively full ownership of the Borba Licence. Upon the completion of a work program and expenditures of not less than $350,000 USD [$355,460] over a period of up to 12 months, Star Mining may initially earn a 25% interest in the Borba Licence. Subsequently and upon the completion of a work program and expenditures of not less than $750,000 USD [$761,700] over a further period of up to 24 months, Star Mining may earn a 35% interest in the Borba Licence. Star Mining may then elect to spend a further $1,000,000 USD [$1,015,600] by carrying out additional technical, commercial and environmental programs on the Borba Licence area for the purposes of working towards the completing a National Instrument 43-101 technical compliant resources report to earn a further 20% ownership of the concession. Once Star Mining has obtained an 80% ownership interest in the Borba Licence, Colt's remaining 20% ownership will revert to a carried interest. Star Mining will also have the option to purchase this remaining 20% interest of the Borba Licence at either $5,000,000 USD [$5,078,000] within 18 months of obtaining an 80% interest or for $10,000,000 USD [$10,156,000] at any time during a subsequent 42 month period.

EXPLORATION AND EVALUATION HIGHLIGHTS

Boa Fé Experimental Mining License

During the first quarter of 2013 most of the work done at the Boa Fé EML was focused in the assessment of previously acquired geologic and exploration data in view to plan future drilling, while the exploration drilling activities remained interrupted throughout the quarter.

The Company carried environmental and geophysical surveys on the regional scale. The work was centered on the re-logging of historical drill core to guide future exploration drilling in this gap between the Chaminé and Casas Novas deposits. Geologic prospecting carried out in the area of the Azinhaga led to find outcropping and float mineralization. A total of 12 rock samples were taken for analysis. Detailed geophysical survey over the Chaminé deposit including a cross-hole IP survey done between the partly collapsed deep holes BFCH-12-037 and 041, as well as six long HIRIP (high resolution IP) lines, cross-cutting the Chaminé deposit. The campaigns of surface and groundwater sampling for the hydrology and hydrogeology studies are being prepared.

All the queries and requests required by APA (environmental agency) were delivered, and a presentation with the project guidelines was prepared for presentation at the Public Hearing of the EIA to be held on April 5, 2013. A detailed field inspection was made by ICNF (forestry agency) officers, in relation with the cork oaks needed to be cut within the industrial areas affected by the mine operations, as referred in the EIA. The process of deposit modeling and resource estimation of the Boa-Fé EML was completed with in-house capabilities.

On the administrative side, the annual activity report for 2012 was prepared and delivered to the DGEG.

As at March 31, 2013, the Company has invested and capitalized $9,655,540 with respect to its Boa Fé EML.

Tabuaço Experimental Mining License (previously the Armamar-Meda Concession)

The Company has a 100% interest in the Tabuaço property which has an area of 45.128 km2. Located in north central Portugal, the property is approximately 5 hours driving time from Lisbon. The Tabuaço EML contract was signed on February 20, 2013 and corresponds to the NW block of the previously owned Armamar-Meda Tungsten Concession, whose exploration license expired on December 9, 2012.

During the first quarter 2013 all work done at the Tabuaço EML was focused in the assessment of previously acquired geologic and exploration data towards planning future drilling, and no further exploration have been carried out on the regional scale. Also a selection of drill core samples was sent to the lab to check for possible gold contents. With respect to environment work, surface and groundwater sampling for the hydrology and hydrogeology studies was completed.

During the reporting period an LOI was prepared and signed between the owners of the Passa Frio farm and Colt Resources regarding the potential acquisition of this property, which represents an important step in the preparation of the future processing facilities. The Company also delivered the second semester report and the final report the previously owned “Armamar-Meda” license to DGEG, including a bank guaranty of 225,000 € [$294,098] for the new Tabuaço EML.

As at March 31, 2013, the Company has invested and capitalized $11,270,928 with respect to its Tabuaço EML.

Santo Antonio Experimental Mining License (previously the Penedono Concession)

The "Consórcio Penedono", a Joint Cooperation Consortium between the Company and "Contécnica", has a 100% interest in the Santo António property, which has an area of 35.341 Km2. Located in north central Portugal. The Santo António EML contract was signed on February 20, 2013 and corresponds to the central block of the previously owned Penedono Gold Concession whose exploration license expired on October 28, 2012.

The Company is not expected to conduct any significant work at the Santo António EML until its partner and operator, Contécnica, has earned into the project for up-to the Company's total investment in the Penedono exploration license of $2,942,191.

On March 11, 2013 the Company delivered to consortium facilities samples, documents and materials as well as a draft of the contractual bank guaranty of 150,000.00€ [$196,065] for the EML. On the administrative side the final report (from the start to the end of the contract) of the Penedono exploration license was delivered to the DGEG. Additionally, a field visit to the project was performed by representatives of the DGEG, which included site visits of the old gold mine of Penedono and the Turgueira deposit.

As at March 31, 2013, the Company has invested and capitalized $2,979,211 with respect to its Santo Antonio EML.

Montemor-o-Novo Gold Concession

During the first quarter of 2013 most of the work done at the Montemor license was focused in the assessment of previously acquired geologic and exploration data in view to plan future drilling, while the exploration drilling activities remained interrupted throughout the quarter.

Field work during this period included soil and rock geochemistry, geological mapping and core logging. The Grou soil grid was extended to the South along the outcrop of the favourable host rock, the Grou sheared and sericitized granite with 899 samples collected. Geologic mapping of the Safira orthogenesis outcrop and Grou and magnetic Susceptibility core logging of all drill cores from Monfurado. Historical drill core from two LNEG drill holes from the Monges old Fe mine area (near Monfurado) and three other from Nogueirinha were examined and sampled with a total of 64 core samples sent for analysis.

The Company completed the ground checking of areas with dipole magnetic anomalies identified from the airborne magnetic survey. Geological prospections at Regadia North resulted in the finding of sub-outcropping mineralization similar in style to Mourel-North. A total of 28 channel samples from outcropping mineralized brecciated granite at Grou were collected and sent for analysis. In addition, analytical results for 57 rock (grab) samples were received with 18 samples showing gold grades above 1g/ton, with a maximum of 16.3 g/ton from Gouveia. The analytical results for 477 soil samples from the Grou geochemical grid were also received, with results indicating an important Au-As-Bi-Sb anomaly.

On the administrative side, the semester report for the second half of 2012 was prepared and delivered at DGEG.

As at March 31, 2013, the Company has invested and capitalized $1,186,861 with respect to the Montemor-o-Novo exploration license.

Moimenta-Almendra Concession

During the first quarter of 2013 the Company did not report any significant work at the Moimenta-Almendra exploration concession. On the administrative side, the semester report for the second half of 2012 was prepared and delivered at DGEG, as well as the information of the change of the official contractual notification address to Beloura.

As at March 31, 2013, the Company has invested and capitalized $432,022 with respect to its "Moimenta-Almendra" Exploration License.

Cedovim Concession

During the first quarter of 2013 the Company did not report any significant work at the Cedovim exploration concession. The analytical results of the 115 soil samples collected at Poço do Canto were received showing a calcium and strontium anomaly indicating that the geological structure is dipping to NE.

On the administrative side, the semester report for the second half of 2012 was prepared and delivered at DGEG, as well as the information of the change of the official contractual notification address to Beloura.

As at March 31, 2013, the Company has invested and capitalized $28,251 with respect to the Cedovim exploration license.

Borba

The Company holds a 100% interest in the Borba exploration license whose contract was signed on February 20, 2013, following the application made on April 3, 2012. The Borba property has an approximate area of 633.935 km2. Located in central Portugal, the property is approximately 2 hours driving time from Lisbon.

The work in this concession started with the compilation of historical mining and exploration data with emphasis on the Miguel Vacas copper mine. On the administrative side, the work program for the first contractual year was prepared and delivered at DGEG, as well as the contractual bank guaranty of 19,000.00 € [$24,835]

As at March 31st, 2013, the Company had not recorded nor capitalized any material amounts with respect to the Borba exploration license.

Cercal

The Company holds a 100% interest in the Cercal exploration license whose contract was signed on February 20, 2013, following the application made on May 25, 2012. Located in South Portugal, the property is approximately 3 hours driving time from Lisbon. Roads provide ready access throughout the property. Infrastructure and local resources are excellent.

The work in this concession started with the compilation of historical mining and exploration data with emphasis on the Salgadinho Cu-Au-Ag stock-work deposit. Field trips to Cercal area for reconnaissance purposes and also to verify DDH collar locations were carried-out as well as the re-sampling of historical drill core from Salgadinho Cu-Au mineralization, with 59 core samples sent for analysis. The results received for 40 twin samples indicated good matches for Au, Cu or Ag grades in mineralization. On the administrative side, the work program for the first contractual year was prepared and delivered at DGEG, as well as the contractual bank guaranty of 20,000.00 € [$26,142]

As at March 31, 2013, the Company has invested and capitalized $30,938 with respect to the Cercal exploration license.

Adorigo

The Company applied on August 9, 2012, for a 100% interest in the Adorigo property which has an approximate area of 164.98 km^2. Located in north central Portugal, the property is approximately 5 hours driving time from Lisbon.

RESULTS OF OPERATIONS

Quarter ended March 31, 2013 compared to the quarter ended March 31, 2012

For the quarter ended March 31, 2013, the Company reported a net loss of $1,822,331 ($1,395,703 in 2012) and a comprehensive loss of $1,943,396 ($1,328,385 in 2012). The increase in the Company's net and comprehensive loss was due primarily to increases in administrative expenses to $1,770,562 ($1,354,456 in 2012) representing an increase of $416,106 as compared to the comparable period. The increase is primarily due to higher investor relations and marketing expenses, legal expenses, office expenses and other general and administrative expenses, which include costs associated with business development activities as well as costs related to the social license to operate in Portugal.

The Company reported other income of $67,792 ($74,143 in 2012), the decrease primarily due to a write down of viticulture inventory to net realizable value. The Company also reported Depreciation and amortization expense of $63,030 ($97,065 in 2012) and a gain on disposal of property, plant and equipment of $6,594 ($NIL in 2012).

Interest income increased to $16,554 ($8,860 in 2012), Finance costs increased to $59,323 ($54,300 in 2012) representing primarily increases in accretion expenses on preferred shares of $30,893 ($29,637 in 2012), accretion on loan payable of $12,623 ($24,663 in 2012) and other finance costs of $15,807 (Nil in 2012).

The Company reported a foreign exchange loss on translation of foreign subsidiaries of $121,065 ($62,817 gain in 2012). The company reported deferred income tax expense of $34,074 ($NIL in 2012). The Company reported weighted average number of common shares outstanding of 136,950,043 (104,075,137 in 2012) and a net loss per share of $0.02 ($0.01 in 2012).

Quarter ended March 31, 2012 compared to the quarter ended March 31, 2011

For the quarter ended March 31, 2012, the Company reported a net loss of $1,395,703 ($2,151,150 in 2011) and a comprehensive loss of $1,328,385 ($2,151,150 in 2011). The increase in the Company's net and comprehensive loss was due primarily to administrative expenses and foreign exchange translation.

The Company reported administrative expenses of $1,354,456 ($2,127,537 in 2011) representing a decrease of $773,081 as compared to the comparable period. The decrease is primarily due to stock based compensation expense of $719,984 in the quarter ended march 31, 2011.

The Company reported other income of $74,143 (Nil in 2011). The Company also reported Depreciation and amortization expense of $97,065 ($7,203 in 2011).

Interest income increased to $8,860 ($NIL in 2011), Finance costs increased to $54,300 (Nil in 2011) representing primarily increases in accretion expenses on preferred shares. The Company reported a foreign exchange gain of $62,817 ($14,398 loss in 2011).

The Company reported the weighted average number of common shares outstanding of 104,075,137 (46,205,934 in 2011) and a net loss per share of $0.01 ($0.02 in 2011).

Summary of variation in operating costs between March 31, 2013 and 2012

	March 31	March 31	Variation
	2013	2012	2013-2012
For the quarter year ended	**$**	**$**	**$**
Investor relations and marketing	573,610	437,233	136,377
Office expenses	334,647	248,903	85,744
Management fees	246,354	235,846	10,508
Other general and administrative expenses	197,821	87,189	110,632
Salaries	205,351	130,984	74,367
Professional and consulting fees	40,358	138,702	(98,344)
Legal expenses	122,797	25,657	97,140
Insurance	48,116	42,285	5,831
Property investigation	1,508	7,657	(6,149)
Depreciation and amortization	63,030	97,065	(34,035)
Loss on disposal of property, plant and equipment	(6,594)	-	(6,594)
Other expense (income)	(67,792)	(74,143)	6,351
Total operating costs	**1,759,206**	**1,377,378**	**381,828**

The Company has no intention of paying dividends in the foreseeable future. Any future decision to pay cash dividends will be left to the discretion of the Board of Directors of the Company and will depend on the Company's financial position, operating results and capital requirements at the time as well as such other factors that the Board of Directors may consider relevant. The Company has paid no dividends and has no retained earnings from which it might pay dividends.

SUMMARY OF QUARTERLY RESULTS

	March 31	December 31	September 30	June 30
	2013	2012	2012	2012
Quarters ended	$	$	$	$
Net Loss	(1,822,331)	(2,886,582)	(2,951,253)	(2,203,365)
Comprehensive Loss	(1,943,396)	(2,495,532)	(3,124,249)	(2,441,236)
Basic and diluted loss per share	(0.02)	(0.02)	(0.02)	(0.02)
Cash and cash equivalents	2,554,442	6,473,498	6,779,977	9,791,552
Marketable Securities	-	-	-	3,019,214
Working capital*	3,696,058	5,540,930	9,392,676	15,252,997
Exploration and evaluation assets	25,583,751	24,664,728	20,669,122	13,467,465
Total assets	37,364,776	40,520,113	36,697,665	40,400,341

	March 31	December 31	September 30	June 30
	2012	2011	2011	2011
Quarters ended	$	$	$	$
Net Loss	(1,395,703)	(1,757,844)	(2,056,330)	(2,094,015)
Comprehensive Loss	(1,328,385)	(2,288,602)	(2,244,048)	(2,094,015)
Basic and diluted loss per share	(0.02)	(0.02)	(0.02)	(0.02)
Cash and cash equivalents	6,345,876	1,236,079	9,795,185	16,655,703
Marketable securities	3,011,066	3,003,868	-	-
Working capital*	11,883,124	9,162,184	13,866,890	16,486,853
Exploration and evaluation assets	11,168,818	4,765,569	6,451,661	5,275,364
Total assets	34,875,325	6,589,733	30,426,620	22,848,743

* Working capital is defined as current assets less current liabilities.
It is not a recognized measure under IFRS. It is unlikely to be a comparable
to methods used by other entities.

LIQUIDITY AND CAPITAL RESOURCES

As at March 31, 2013, total assets were $37,364,776 ($40,520,113 in 2012). Exploration and evaluation assets increased by $919,023 from $24,664,728 in 2012 to $25,583,751 in 2013. The increase reflects a total of $974,671 in capitalized exploration costs less $55,648 in foreign translation adjustments.

As at March 31, 2013, the Company had cash and cash equivalents of $2,554,442 ($6,473,498 in 2012). The decrease in cash and cash equivalents was primarily the result from the use of cash from operating activities of 3,837,835 (1,556,610 in 2012), use of cash from investing activities of $1,132,365 ($1,965,737 in 2012) primarily for exploration and evaluation assets and decreased cash from financing activities of $1,061,667 ($5,947,868 in 2012) primarily from the issue of common shares from private placements.

The Company has been successful in financing its liquidity requirements through the issuance of equity and debt securities. However, the Company does not have sufficient liquidity to meet its exploration, evaluation and development plans. The Company is currently incurring operating losses and additional capital will be required for working capital and for exploration and evaluation activities on its mineral properties.

OUTSTANDING SHARE INFORMATION

As at March 31, 2013, there were 138,576,471 common shares, 1,586,000 share-purchase warrants with a weighted average exercise price of $0.49 and 10,500,000 stock options with a weighted average price of $0.49 outstanding.

Issued and outstanding common shares

The common shares issued by the Company are shown in the following table during the period ended March 31, 2013:

	Number of shares	$
As of December 31, 2012	129,571,430	48,353,634
Issuance of common shares [i]	8,605,041	3,872,269
Share issue costs [i]		(267,588)
Issuance of shares for options exercised [ii]	400,000	202,159
As of March 31, 2013	**138,576,471**	**52,160,474**

[i] During the quarter ended March 31, 2013, the Company closed a non-brokered private placement for a total of 8,605,041 shares at $0.45 per unit for gross proceeds of $3,872,269. As of December 31, 2012, the Company had already received 2,700,000 subscription receipts corresponding to the issuance of 6,000,000 shares. The Company paid cash commissions totaling $162,001 and $50,601 in other costs. Additionally, the Company issued 360,000 broker warrants, entitling the holders to purchase one common share at the price of $0.55 per share up to January 7, 2014. The fair value of the warrants amounted to $54,986.

[ii] During the quarter ended March 31, 2013, the Company issued 400,000 common shares at an average exercise price of $0.26 per share for a total cash amount of $102,000 for stock options exercised, and an amount of $100,159 related to exercised stock options was transferred from contributed surplus to capital stock.

Issued and outstanding warrants

A summary of the changes in the Company's share purchase warrants during the three-month period ending March 31, 2013 is as follows:

	Number of warrants and exercisabl e	$	**Weighted average exercise prices** $	**Weighted average years to expiry**
As at December 31, 2012	1,226,000	195,928	0.50	0.33
Issued [broker]	360,000	54,986	0.45	
As at March 31, 2013	**1,586,000**	**250,914**	**0.49**	**0.36**

During the quarter ended March 31, 2013, the Company issued 360,000 broker warrants. The purchase warrants expire on July 7, 2014 and a fair value of $54,986 was recorded in share capital using the Black Scholes option pricing model with the following assumptions: volatility 70.54%, risk free interest rate 1.13%, expected life of one year and a half and expected dividend yield of nil%.

Share Based Compensation

A summary of the changes in the Company's share option transactions during the three-month period ending March 31, 2013 is as follows:

	Number of options	Weighted average exercise price $	Weighted average years to expiry
Outstanding and exercisable As of December 31, 2012	11,800,000	0.46	2.59
Expired	(850,000)	0.25	—
Cancelled	(50,000)	0.56	2.61
Exercised (note 12)	(400,000)	0.26	1.72
Outstanding and exercisable As of March 31, 2013	**10,500,000**	**0.49**	**2.56**

The following table summarizes stock options outstanding and exercisable as of March 31, 2013:

		Number of Options	
Expiry Date	**Exercise price** $	**2013**	**2012**
March 19, 2013	$0.25	-	850,000
April 8, 2014	$0.25	650,000	650,000
May 28, 2014	$0.25	-	100,000
November 23, 2014	$0.25	1,650,000	1,850,000
September 2, 2015	$0.27	2,750,000	2,850,000
November 8, 2015	$0.56	1,300,000	1,350,000
March 25, 2016	$0.91	250,000	250,000
June 4, 2016	$0.73	3,250,000	3,250,000
July 3, 2016	$0.75	450,000	450,000
September 11, 2017	$0.55	200,000	200,000
Total options outstanding and exercisable		**10,500,000**	**11,800,000**

CONTRACTUAL OBLIGATIONS

	Obligations due per year			
	2013	2014	2015	2016+
	$	$	$	$
QSPA Balance of acquisition (1)	1,311,800	-	-	-
Boa Fe EML commitments (1, 2)	-	-	-	-
Montemor-o-Novo Commitments (1)	354,186	590,310	-	-
Moimenta-Almendra Commitments (1)	32,500	-	-	-
Cedovim Commitments (1)	65,590	78,708	-	-
Borba (1)	78,708	78,708	91,826	-
Cercal (1)	65,590	97,500	97,500	-
Total contractual obligations	**1,908,374**	**845,226**	**189,326**	**-**

	Obligations for the life of the contract
	2013-2016
	$
Tabuaco EML Commitments (1, 4)	5,903,100
Santo Antonio EML Commitments (1, 4)	496,605
Total obligations for the life of the contract	**6,399,705**

(1) Original contractual commitments are denominated in European Euro (€)
(2) Contractual commitments have been met for the life of the license
(3) Obligations to be assumed by a Joint Collaboration partner
(4) Obligations for the duration of the contract

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

RELATED PARTY TRANSACTIONS

The compensation of directors and other members of key management personnel during the quarters ended March 31, 2013 and 2012 were as follows:

	2013	2012
	$	$
Management fees	**246,354**	237,500
Other short term benefits	**211,722**	-
	458,076	237,500

As of March 31, 2013, $34,359 is owed to related parties [December 31, 2012 – $48,325] and is included in accounts payable.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

The Company's condensed interim statements include estimates and assumptions made by management. Actual results may vary from these estimates. Critical accounting estimates are discussed under Note 4 of the financial statements for the year ended December 31, 2012.

ADOPTION OF NEW STANDARDS

The Company's accounting policies are disclosed under note 5 of the financial statements for the year ended December 31, 2012.

IAS 1 Presentation of Items of Other Comprehensive Income – Amendments to IAS 1

On January 1, 2013, the Company adopted the amendments to IAS 1 which changed the grouping of items presented in other comprehensive income. Items that could be reclassified [or "recycled"] to profit or loss at a future point in time [for example, upon de-recognition or settlement] have to be presented separately from items that will never be reclassified. The adoption of the amendment had no impact on the Company's financial position or performance.

IAS 28 Investments in Associates and Joint Ventures [as revised in 2011]

As a consequence of the new IFRS 11 and IFRS 12, IAS 28 has been renamed IAS 28 Investments in Associates and Joint Ventures, and describes the application of the equity method to investments in joint ventures in addition to associates. The Company adopted the revised standard on January 1, 2013. The adoption of this standard had no impact on the Company's financial position or performance.

IFRS 10 Consolidated Financial Statements, IAS 27 Separate Financial Statements

IFRS 10 replaces the portion of IAS 27 Consolidated and Separate Financial Statements that addresses the accounting for condensed interim consolidated financial statements. It also addresses the issues covered in SIC-12 Consolidation — Special Purpose Entities.

IFRS 10 establishes a single control model that applies to all entities including structured entities [previously referred to as special purpose entities]. The changes introduced by IFRS 10 will require management to exercise significant judgment to determine which entities are controlled and therefore are required to be consolidated by a parent, compared with the requirements that were in IAS 27. The Company adopted the revised standard on January1, 2013. The adoption of this standard had no impact on the Company's financial position or performance.

IFRS 11 Joint Arrangements

IFRS 11 replaces IAS 31 Interests in Joint Ventures and SIC-13 Jointly-controlled Entities — Non-monetary Contributions by Venturers. IFRS 11 removes the option to account for jointly controlled entities [JCEs] using proportionate consolidation. Instead, JCEs that meet the definition of a joint venture must be accounted for using the equity method. The Company adopted the revised standard on January 1, 2013. The adoption of this standard had no impact on the Company's financial position or performance.

IFRS 12 Disclosure of Interests in Other Entities

IFRS 12 sets out the requirements for disclosures relating to an entity's interest in subsidiaries, joint arrangements, associates and structured entities. IFRS 12 was effective for annual periods beginning January 1, 2013. None of these disclosures requirements are applicable for interim condensed consolidated financial statements, unless significant events and transactions in the interim period require that they are provided.
Accordingly, in the absence of such events, the Company has not made such disclosures.

IFRS 13 Fair Value Measurement

IFRS 13 replaces the fair value measurement guidance contained in individual IFRS with a single source of fair value measurement guidance, and defines fair value as 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. There was no material impact on the Company's consolidated financial statements upon adoption of IFRS 13 on January 1, 2013.

IFRS 13 also requires specific disclosure on fair values, some of which replace existing disclosure requirements in other standards, including IFRS 7, Financial Instruments: Disclosures. Some of these disclosures are specifically required for financial instruments by IAS 34.16A (j), thereby affecting the interim condensed consolidated financial statements period. The Company provides IFRS 13 disclosure requirements in note 17 of the financial statements for the quarter ended March 31, 2013.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Fair values

The Company's financial instruments consist of cash equivalents, marketable securities, trade receivable, and accounts payables and accrued liabilities. Due to the short-term nature of these accounts, the fair value of these financial instruments approximates their carrying value.

The fair values of the deposits, loan payable and convertible preferred shares approximate their carrying amounts as the transactions were recently negotiated in an arm's length transaction and were initially measured at fair value.

Biological assets vines are measured at fair value less cost to sell. Since market-determined prices or values are not available for grape vines, the Company uses valuation techniques that require inputs that are both unobservable and significant, and therefore were categorized as Level 2 in the fair value hierarchy. The Company uses a discounted cash flow method to determine fair value. In arriving at fair values, the key assumptions are estimated sales prices less cost of delivery, discount rate, productive life of grape vines, estimated volume and growth estimations. All changes in fair value are recognised in the period in which they arise.

The significant assumptions used to determine the fair value of vines planted are as follows:

	March 31, 2013
Yield	**3 429kg/ha**
Discount rate	**4%**
Annual vineyard operating costs	**2 750€/ha**
Selling price less delivery costs	**0.38€ - 1.27€ / kg**
Remaining life	**33 ¾ years**

Financial risks

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk [currency fluctuations, interest rates and other price risk]. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

Credit risk

The Company is exposed to credit risk with respect to cash and cash equivalents, deposits and trade and other receivables. The risk arises from the non-performance of counterparties of contractual financial obligations. The Company manages credit risk by maintaining cash and cash equivalents and deposits in highly liquid investments with major financial institutions in Canada and Portugal. The Company's commodity taxes receivables are not subject to significant credit risk.

The maximum exposure to credit risk as at:

	March 31, 2013	**December 31, 2012**
	$	$
Cash and cash equivalents	**2,554,442**	6,473,498
Deposits [held in Portugal]	**773,804**	603,428
Accounts receivable	**358,328**	544,538
	3,686,574	7,621,464

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in obtaining funds to meet financial obligations as they fall due. The Company manages its liquidity risk by forecasting cash flows used in operations and exploration activities, anticipated from investing and financing activities, and taking into account the Company's holdings of cash and cash equivalents.

As of March 31, 2013, the Company has cash and cash equivalents of $2,554,442. Trade and other payables have contractual maturities of 30 days or less and are subject to normal trade terms, amounts due to related parties are due on demand.

The Company's ability to continue as a going concern is also dependent on being able to obtain the necessary financing to satisfy its liabilities as they become due. While the Company has been successful in raising debt and equity funds in the past, there is always a degree of risk on whether or not it will be able to raise sufficient funds in the future.

Currency risk

The Company raises its capital in Canadian dollars and holds its cash mainly in Canadian dollars and Euros. The Company and its subsidiaries minimize their exposure to foreign currency risk by minimizing the amount of funds in currencies other than the functional currencies. The Company continuously monitors its exposure to foreign exchange risk to determine if any mitigation strategies warrant consideration.

As of March 31, 2013 and December 31, 2012, the Company was exposed to currency risk on the following net assets denominated in Euros:

	March 31, 2013 $	December 31, 2012 $
Net financial assets and liabilities	**18,782,933**	**16,126,131**

Loans receivable from foreign subsidiaries are considered as part of the net investment and any difference in the foreign exchange is recorded in cumulative translation adjustment.

Based on the above net investment as of March 31, 2013, and assuming all other variables remain constant, a 1% change in the value of the Canadian dollar against the Euro would result in an increase/decrease of approximately $188,000 to other comprehensive loss.

Financial risk associated to agriculture

The Company is exposed to financial risks arising from its vineyard activities. The Company takes reasonable measures to ensure that the current year's harvest is not affected by disease or other climate effects that may have a negative effect upon yield and quality. These measures include involvement of viticulture technicians and continuous focus on development of every plantation.

OTHER MATERIAL EVENTS AND HIGHLIGHTS

The Company is presently not a party to any proceedings.

SUBSEQUENT EVENTS

Private Placement

The Company has received an executed subscription agreement for $5,000,000 Private Placement from an investor which is a newly constituted Hong Kong-based resource investment fund, along with written confirmation that funds are expected shortly. This final tranche will be under the same terms as the previously-announced private placement that is a price of $0.45 per share. As of May 28, 2013, the Company has yet to conclude the final portion of the Private Placement.

The Company will incur a finders' fee of up to 6% cash and 6% non-transferable compensation warrants. Each compensation warrant entitling the holder to purchase one additional common share of Colt at CAD $0.55 per share and they will expire on January 7, 2014.

OUTLOOK

Management will continue to manage its funds rigorously, its primary objective being to optimize return on investment for the Company's shareholders. The Company's development strategy is focused on the discovery of economically-viable deposits that will generate profits from mining and ensure the Company's survival. In applying its development strategy, management will take into account the global exploration context, stock market trends and the prices of metals.

Other Information

Additional information on the Corporation is available under the Corporation's profile on SEDAR at www.sedar.com and on EDGAR at www.sec.gov and on the Corporation's website at www.coltresources.com

Colt Resources Inc.

Signed *"Nikolas Perrault"*

Nikolas Perrault
Chief Executive Officer

Signed *"Aurelio Useche"*

Aurelio Useche
Chief Financial Officer