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## Colombia Goldfields Provides Q3 2008 Exploration and Corporate Updates

*(All amounts are reported in U.S. dollars unless otherwise indicated)*

**TORONTO, ON, (November 12, 2008):** Colombia Goldfields Ltd. (the “Company”) (TSX: GOL / OTCBB: CGDF) today provided a third quarter 2008 update on the status of its drilling program and announced unaudited financial results for the third quarter ending September 30, 2008.

### **Third Quarter 2008 Overview**

As a result of the recent turmoil in worldwide financial markets and the reluctance of investors to participate in the exploration sector, the Company has determined it necessary to revisit its operating plan. In connection with this review, the Company announced that it had suspended additional drilling beyond the already completed 46,000 meters on Zona Alta (Upper Zone) to reduce its ongoing operating expenses. In light of current market conditions, the Company also commenced evaluating strategic options to address its short-term and long-term project development goals.

As previously announced, the Company was unable to raise the required capital necessary to complete the Mineros Nacionales S.A. (Mineros) transaction. On October 31, 2008 Mineros notified the Company that it was unwilling to extend the closing of the transaction beyond October 31, 2008 and terminated the agreement. Mineros has exercised its right to the nonrefundable advance and deposit previously provided by Colombia Goldfields in connection with the transaction.

The Company is therefore unable to advance its ultimate goal of combining Zona Alta and Zona Baja and is reviewing strategic alternatives, which may include a sale of some of or all of the Company’s assets. The Company has canvassed a number of qualified parties with respect to such a transaction. The Company has also provided data room access pursuant to confidentiality agreements to interested parties. At the present time there is no certainty that these initiatives or any financing or sale of one or more of the Company’s projects or the Company itself will be completed. The Company is also commencing

discussions with its trade creditors to work with the Company to restructure its obligations. As well, the Company has commenced terminating all but essential personnel in both its Toronto and Medellin offices to further reduce the Company's monthly operating cash requirements.

### **Exploration Update**

Results from the 46,000 meters of Zona Alta drilling, combined with analysis from 14,000 meters of existing drill core from Zona Baja are currently being reviewed to update the Company's resource estimate for the mountain.

Colombia Goldfields used results from the first 68 drill holes (12,186 meters) and 1,171 meters of underground channel sampling to provide a 43-101 compliant inferred resource of 2.6 million ounces (cut-off grade of 0.3 g/t Au) for Zona Alta in May 2008. This inferred resource is supported by an Independent technical report prepared by Micon International Limited titled "Updated NI 43-101 Technical Report and Preliminary Resource Estimate for the Marmato Project, Department of Caldas, Republic of Colombia" dated May 30, 2008, which has been filed and is available on SEDAR.

### **Unaudited Results for the Third Quarter ended September 30, 2008**

The Company incurred a loss for the quarter ending September 30, 2008 of \$14.6 million or \$(0.16) per share, compared to a loss of \$3.9 million or \$(0.06) per share for the same period in 2007. The loss was driven by mineral property exploration costs of \$8.2 million, general and administrative expenses of \$1.6 million, and a write-down related to the Mineros transaction of \$9.3 million. These expenses were offset with a foreign exchange gain of approximately \$2.1 million due to fluctuations in the exchange rate between the U.S. dollar and the Colombian peso.

Total assets at September 30, 2008 were \$66.7 million, including mineral and exploration properties and rights of \$66.0 million compared with total assets of \$74.5 million at December 31, 2007. As of September 30, 2008, Stockholders' Equity was \$42.4 million, compared to \$51.1 million at December 31, 2007. The Company's working capital deficiency was \$17.1 million compared to \$3.7 million at December 31, 2007.

### **Qualified Person**

Dr Stewart D. Redwood, Vice President of Exploration of the Company, is the qualified person as defined by NI 43-101 and has prepared or supervised the preparation of all scientific and technical information contained in this press release. He is a Fellow of the Institute of Materials, Minerals and Mining (FIMMM) of the UK, a foreign professional association and designation recognized by the Canadian regulatory authorities. The laboratories used were Inspectorate (ISO

9001:2000 and 9002:2004 certified) in Medellin, Colombia (sample preparation), Reno, Nevada (preparation and analysis), and Lima, Peru (analysis), and SGS in Medellin (preparation) and Lima (analysis). Gold was assayed by fire assay with gravimetric finish or AAS finish. Silver was assayed by fire assay with AAS finish or analyzed by ICP together with a suite of multi-elements. Blank, standard and duplicate samples are routinely inserted for quality assurance and quality control.

### **About Colombia Goldfields**

Colombia Goldfields Ltd., through our subsidiaries Compania Minera de Caldas S.A. and Gavilan Minerals S.A., is developing what we believe is a multi-million ounce gold resource in Colombia's historic Marmato Mountain gold district.

Colombia Goldfields is traded in the US under the symbol CGDF, on the Toronto Stock Exchange under the symbol GOL, and in Germany under the symbol C2B. Further information about the Company's is available at [www.colombiagoldfields.com](http://www.colombiagoldfields.com), EDGAR at [www.sec.gov](http://www.sec.gov) and SEDAR at [www.sedar.com](http://www.sedar.com) under the Company's profile.

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### ***Disclaimer***

This release uses the terms "measured", "indicated" and/or "inferred" mineral resources. United States investors are advised that while such terms are recognized by Canadian regulations, the United States Securities and Exchange Commission does not recognize them. United States investors are cautioned not to assume that all or any part of mineral resources will ever be converted into mineral reserves. Inferred mineral resources have a great amount of uncertainty as to their existence, and as to their economic and legal feasibility. It cannot be assumed that all or any part of an inferred mineral resource will ever be upgraded to a higher category. Under

Canadian rules, estimates of inferred mineral resources may not form the basis of feasibility or other economic studies. United States investors are cautioned not to assume that all or any part of an inferred mineral resource exists, or is economically or legally mineable.

This release contains forward-looking statements that are based on the beliefs of the Company's management and reflect the Company's current expectations as contemplated under section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities and Exchange Act of 1934, as amended. When used in this release, the words "estimate," "project," "believe," "anticipate," "intend," "expect," "plan," "predict," "may," "should," "will," "can," the negative of these words, or such other variations thereon, or comparable terminology, are all intended to identify forward-looking statements. Such statements reflect the current views of Colombia Goldfields with respect to future events based on currently available information and are subject to numerous assumptions, risks and uncertainties, including, but not limited to, risks and uncertainties pertaining to development of mining properties, changes in economic conditions and other risks, uncertainties and factors, which may cause the actual results, performance, or achievement expressed or implied by such forward-looking statements to differ materially from the forward looking statements.