EurOmax Resources Ltd.

Management Discussion and Analysis
Year Ended December 31, 2010

INTRODUCTION

The following Management's Discussion and Analysis ("MD&A") of EurOmax Resources Ltd. ("EurOmax") and its subsidiary companies (collectively, the "Company") is prepared as of April 25, 2011 and should be read in conjunction with the Company's audited consolidated financial statements and the notes thereto for the year ended December 31, 2010, which were prepared in accordance with generally accepted accounting principles ("GAAP") in Canada. The Company's accounting policies are set out in Note 3 of the audited consolidated financial statements. The Company's accounting policies have been consistently followed in the preparation of the 2010 consolidated financial statements.

All the financial information presented in this document is expressed in Canadian dollars, unless otherwise noted.

EurOmax's common shares are listed on the TSX Venture Exchange under the trading symbol "EOX".

COMPANY PROFILE AND CORPORATE STRATEGY

The Company is focused on identifying, acquiring and developing natural resource opportunities in Southeastern Europe (the "Region").

The Company currently has activities in Bulgaria (Trun, Rakitovo and Breznik properties), Macedonia (Ilovitza property) and Serbia (Karavansalija "KMC" property).

The Company's portfolio of properties includes gold prospects and prospects with gold and other metals. The Company is developing its projects combining western and top local geological expertise. After the identification and successful initial phases of exploration on a property, EurOmax intends to enter into strategic partnerships with mining companies for development and production. Ongoing dialogue with a number of mining producers is underway in an attempt to enter into one or more strategic partnerships on current properties. As one of the first western mineral exploration companies in the Region, EurOmax's local knowledge offers the potential to identify and acquire other potentially attractive exploration projects in Southeastern Europe.

EurOmax believes that the Region has underdeveloped natural resource potential and reduced political risk. While many of the countries in this area have not been subjected to the systematic exploration of mineral resources typical of western countries, they have more developed economic, legal and political climates than other developing regions of the world. In fact, Bulgaria and Romania have been members of the European Union since January 2007.

EurOmax has found that the potential to acquire natural resource properties in the Region is subject to less competition than would be found in North America or other developed countries.

Notwithstanding the Company's belief in the potential of the Region, EurOmax has found that political and cultural issues can delay projects longer than is normal in North America.

On September 23, 2010 a new board of directors was appointed by the shareholders at the Company's annual shareholders' meeting.

The Company's new board of directors reviewed EurOmax's current portfolio of properties and its future prospects, and formalized the Company's exploration strategy, which can be summarized as follows:

- Identifying potentially significant gold and/or copper prospects in Southeastern Europe (Balkans, Romania, Hungary, Greece, and Turkey).
- Securing potentially significant gold and/or copper prospects (Exploration Permits) in Southeastern Europe.

- Exploring potentially significant gold and/or copper properties in Southeastern Europe which consists of sufficient technical work (including drilling) to evaluate the properties, to enhance business terms with prospective partners, and to minimize inherent risks associated with development, thereby protecting the Company's reputation as a strong explorer over the long-term.

- Preparing National Instrument 43-101 reports on the Company's high-potential properties.

- Securing of Mining Concessions on projects with demonstrable resource upside.

- Developing a reputation for identifying, exploring and offering high-quality properties to prospective partners.

- Seeking partners that have the necessary technical expertise and financial capability to advance the properties in the Company's portfolio. This includes local companies with regional experience and/or companies with the required engineering and production expertise to develop properties into producing mines.

- Avoiding operating any mine or development projects.

- Generating shareholder value over the long-term by carrying high potential projects to an advanced exploration stage.

The Company will review and revise this strategy as required from time to time.

In December 2010 the Company formed a technical advisory board comprised of Dr. Roger Moss and Dr. Quinton Hennigh.

CORPORATE DEVELOPMENTS

Year Ended December 31, 2010
Election of new board of directors – After a contested shareholders' meeting, on September 23, 2010 a new board of directors was appointed by the shareholders of the Company. The costs of the contested shareholders meeting and other costs related to the proxy fight were $1,847,434, and were charged to earnings during the year.

Liquidity and capital resources – During 2010, the Company's cash position decreased by $6,981,338, including $4,467,223 used in operating activities and $3,406,847 used in investment activities. Financing activities resulted in $811,214 being generated from the exercise of warrants and options. Subsequent to year end, the Company completed a financing for gross proceeds of $7,875,000.

Properties review – A formal review of all the Company's prospects and properties took place in the quarter ended December 31, 2010. It was concluded that the Ceovishte property in Serbia and the Kazandol property in Macedonia would not justify any additional exploration funds from the Company.

Accordingly, the $3,520,765 carrying value of both properties was written off as a charge to earnings.

Drilling program at Ilovitza – in order to drill a sufficient number of holes and gather the appropriate technical data to prepare a detailed application for a Mining Concession on this property, the Company had an active drilling program in place in 2010, which has continued in 2011. Since the exploration permit on this property expires on May 26, 2011, the Company is actively funding this exploration program in anticipation of applying for this Mining Concession.

Historical Developments
In 2007, EurOmax executed a geopolitical diversification of its operations in Southeastern Europe. Prior to that time all of the Company's activities were focused in Bulgaria. In 2007, the Company purchased options to acquire four exploration properties in Macedonia and five exploration properties in Serbia from Freeport McMoRan Exploration Company (formerly Phelps Dodge Exploration Corporation) ("FMEC") and its Macedonian and Serbian subsidiaries.

Under the terms of the Macedonian Agreement, EurOmax acquired an option to acquire a 100% interest in the Macedonian properties and FMEC's Macedonian subsidiary PD Vardar dooel ("PDV") for consideration of US$600,000 and 100,000 EurOmax common shares.

Under the terms of the Serbian Agreement, EurOmax acquired an option to acquire a 100% interest in the Serbian properties and FMEC's shares of FMEC's Serbian subsidiary Mining and Geology South Danube Metals Beograd South ("SDM"), subject to exclusion of one of the SDM licenses, for consideration of 2,400,000 EurOmax common shares.

In order to exercise the options EurOmax had to fulfill all concession requirements, fulfill minimum drilling commitments, and complete a US$1.5 million exploration program in each of Macedonia and Serbia over 3 years. FMEC retains a onetime only 90 day back-in right on each concession, whereby FMEC may elect to earn a 70% interest after EurOmax has completed 10,000 metres of drilling on any of the concessions. In order to earn a 70% interest in a concession, FMEC must pay EurOmax an amount equal to twice its exploration expenditures on that concession and fund the concession though completion of a final feasibility study.

In 2008, the Company amended the Serbian Agreement with FMEC to allow the Company to also acquire a 100% interest in the excluded property, the KMC property, for consideration of US$50,000 and 2,500,000 EurOmax shares. In order to exercise the option, the Company must complete a three-year exploration program to June 5, 2011, including 4,400 metres of drilling at the direction of FMEC. FMEC retains a one-time only back-in right, wherein FMEC may elect to earn a 70% interest in the KMC property, after the Company has completed 20,000 metres of drilling, including the 4,400 metres of drilling at the direction of FMEC on the KMC property. In order to earn its 70% interest FMEC must pay EurOmax an amount equal to 1.5 times its exploration expenditures on the KMC property and fund the KMC property though completion of a final feasibility study. If FMEC does not exercise its back-in right, EurOmax is required to pay FMEC a 1% NSR on the KMC property. As of the date hereof, the Company has completed the minimum drilling requirement at the direction of FMEC for the first two years ending June 5, 2010 on the KMC property.

During 2009, EurOmax completed the required drilling commitment and exploration program required under the Serbian Agreement. EurOmax exercised the option in Serbia and ownership of SDM was transferred to the Company in April 2010.

During the first quarter of 2010, the Company completed the remaining 842 metres of drilling in Macedonia to satisfy the minimum drilling commitment in the Macedonian Agreement. During the first quarter of 2010, the Company spent approximately US$150,000 in remaining exploration requirements to complete its earn-in obligations under the Macedonian Agreement. It is expected that the ownership of FMEC's Macedonian subsidiary, PDV, will be transferred to EurOmax in 2011 once certain requirements under Macedonian law are completed.

As of December 31, 2010 insufficient drilling has been competed on any property under the Macedonian and Serbian Agreements to trigger FMEC's one time back-in rights. These rights will continue until sufficient drilling has been completed on each property. In the event that FMEC exercises its back-in right EurOmax would have a 30% interest in the project where the back-in right was exercised with FMEC being responsible for all expenditures through the completion of a final feasibility study.

Acquisition of Silk Road and Sale of Bulagou Property
In 2009, the Company entered into a merger agreement with Silk Road Resources Ltd., ("Silk Road") a junior mining company. Silk Road was the owner of a mineral property in China (the "Bulagou Property"). The merger of the Company and Silk Road was completed on June 29, 2009 through a Plan of Arrangement between Silk Road and a subsidiary of EurOmax. The Company issued 2.2535 common shares for each share of Silk Road (62,289,552 shares in total)and also issued stock options and warrants to former Silk Road option-holders and warrant-holders under similar conversion terms to those available to Silk Road shareholders.

The consideration for the Silk Road purchase consideration may be summarized as follows:

Share capital	$	9,343,432
Fair value stock options		198,600
Fair value warrants		378,494
Transaction costs		224,631
Purchase consideration	$	10,145,157

The purchase price assigned to the assets and liabilities of Silk Road was allocated as follows:

Cash	$	11,704
Accounts receivable and prepaid expenses		56,956
Loan to EurOmax		250,000
Investment in Chinese mineral properties		11,260,770
Accounts payable		(580,523)
Short-term loan		(853,750)
Net value of assets and liabilities at fair market value	$	10,145,157

On July 16, 2009 the Company completed the sale of the Bulagou property for net proceeds of $14.9 million. A gain on the sale of this property of $3,657,580 was included in income in 2009. Proceeds from the sale are being used to fund the Company's exploration programs and for general working capital purposes.

The summary of the sale of the Bulagou Property is outlined below.

Gross proceeds	$	18,717,219
Legal fees		(237,614)
Commission		(1,870,774)
Other expenses		(327,282)
Chinese witholding tax paid		(1,335,203)
	$	14,946,346
Less property and equipment		11,288,766
Gain on disposal of property and equipment	$	3,657,580

Acquisition of Thrace Resources

On October 7, 2009, EurOmax entered into an agreement to purchase all of the issued and outstanding shares of Thrace Resources EOOD ("Thrace"), a subsidiary of Clean Global Energy Limited ("CGEL"). The purchase price for Thrace was the cancellation of 50% of an outstanding convertible note issued in December 2008 by International Resource Holdings Limited (IRH), the predecessor of CGEL, to EurOmax for outstanding debts of Thrace to the Company. The fair value of 50% of this convertible note at the time of sale was $241,892. The purchase price assigned to the assets and liabilities of Thrace was allocated as follows:

Cash	$	45,475
Investment mineral properties		232,267
Accounts payable		(35,850)
Net value of assets and liabilities at fair market value	$	241,892

The acquisition cost was allocated to Breznik, the main property of Thrace. Breznik has an identified in situ mineral resource estimate calculated by independent consultants and resource modeling specialists Ravensgate using accepted industry standard best practice estimation methods and adhering to the JORC Code guidelines (similar to 43-101 guidelines) in estimating and categorizing the resource. Using a cut-off grade of 0.5 g/t gold the Indicated Resource is 1.079 million tonnes at 2.01 g/t gold and 6.05 g/t silver and the Inferred Resource is 0.689 million tonnes at 1.79 g/t gold and 5.66 g/t silver.

In addition to the Breznik property, the Company also acquired the Rakitovo property in Bulgaria with the acquisition of Thrace.

Since the beginning of 2010, EurOmax has conducted drilling activities at Breznik, Kazandol, Ilovitza, KMC, Trun and Rakitovo to further define the potential for economic mineralization.

SELECTED ANNUAL FINANCIAL INFORMATION

	Years Ended December 31, 2010	2009	2008
Total revenue	$ -	$ -	$ -
Net (loss) income for the year	(8,508,214)	400,957	(4,154,060)
Basic and diluted loss per share	(0.07)	0.00	(0.09)

	December 31 2010	2009	2008
Working capital	$ 1,973,473	$ 8,628,342	$ 16,740
Mineral properties and equipment	7,038,675	7,240,205	5,268,454
Total assets	9,310,828	16,686,309	6,279,957

RESULTS OF OPERATIONS

The Company recorded a net loss of $8,508,214 or $0.07 per share in 2010, compared to net income of $400,957 or $nil per share in 2009.

The significant variances between the two comparative years can be mostly traced to three non-recurring items:

- A $3,520,765 write-down of two mineral properties in 2010, charged to earnings ($nil in 2009);
- A charge to earnings of $1,847,434 in 2010 for costs associated with a contested shareholder meeting ($nil in 2009);
- A gain on disposal of the Bulagou mineral property of $3,657,580 in 2009 ($nil in 2010)

Normalized net loss in 2010, a non-GAAP measure which excludes the property write-downs and shareholder meeting expenses was $3,140,015, compared to a normalized net loss of $3,256,623 in 2009.

In the quarter ended September 30 2010, the Company concluded that it was necessary to fully impair the carrying value of two of its properties. This decision was reached after a diligent technical review and assessment of the properties. Kazandol's write-down was $1,204,885 and the write-down on Ceovishte was $2,315,880, for a total of $3,520,765.

The Company recorded expenses of $1,847,434 associated with a contested shareholder meeting which ultimately resulted in the change of the board of directors of the Company. These expenses include legal and solicitation expenses for management and dissident shareholders, additional mailing expenses incurred to keep shareholders informed and the resultant contractual termination payments to former management.

General and administrative expenses were $1,946,960 in 2010, compared to $1,262,404 in 2009. The increased expenses are a result of severance paid to a fomer officer of the Company, higher investor relations expenses, and higher general and administrative costs associated with the Company's mineral exploration activities in the Region. EurOmax does not capitalize general and administrative expenses.

During the year ended December 31, 2010, the Company paid or accrued salaries, management fees, consulting fees, directors fees and severance payments in the amount of $1,146,712 (2009 - $322,668) to current and former directors and officers, or companies controlled by current and former directors and officers. These amounts include $511,013 (2009 - $nil) associated with severance payments to two former officers of the Company. Of these amounts $12,178 (2009 -$15,749) is included in accounts payable and accrued liabilities at year end.

Management and consulting fees have been recorded at the exchange amount, which is the amount of consideration established and agreed to by the parties based on standard commercial terms.

In 2010, the Company incurred $97,343 in general exploration expenses compared to $500,369 in 2009, as the Company was not actively involved in the evaluation of potential projects and focused resources to existing properties in 2010.

In 2010, the Company incurred depreciation costs of $80,422 compared to $65,581 in 2009 related to an increased asset base.

The Company recorded a foreign exchange loss of $356,436 in 2010 compared to $1,343,585 in 2009. In 2009, the Company held most of its cash in United States dollars and given that the Company's reporting currency is the Canadian dollar, foreign exchange losses were booked as the U.S. dollar depreciated in value compared to the Canadian dollar. The Company currently holds most of its cash in Canadian dollars.

In 2010, the Company recorded stock-based compensation expense of $524,440, compared to $253,760 in 2009.

In 2010, the Company also recorded a loss on sale of an investment of $146,688 ($nil in 2009).

SUMMARY OF QUARTERLY FINANCIAL RESULTS

(expressed in thousands of dollars except per share amounts)

	Quarters Ended			
	December 31, 2010	**September 30, 2010**	**June 30, 2010**	**March 31, 2010**
Net loss	(1,072)	(5,782)	(442)	(1,212)
Loss Per Share	(0.01)	(0.05)	-	(0.01)
	December 31, 2009	**September 30, 2009**	**June 30, 2009**	**March 31, 2009**
Net Earnings (Loss)	(1,883)	2,557	40	(313)
Earnings (Loss) Per Share	(0.02)	0.02	-	(0.01)

EXPLORATION PROJECTS

Ilovitza Project, Macedonia

At Ilovitza in Southeastern Macedonia, EurOmax is exploring a newly discovered copper-gold-molybdenum system estimated to be more than 1.2 kilometres in diameter. Ilovitza is one of several porphyry systems of eastern Macedonia and northern Greece associated with exposed magmatic complexes. Typical of these deposits is the Skouries deposit in Greece which hosts reserves of 146 million tonnes at 0.54% copper and 0.83 grams per tonne gold for 4 million ounces of gold and 800,000 tonnes of copper. The Ilovitza property consists of 2 permits, Ilovitza 4 and Ilovitza 6. The Ilovitza 6 permit has been extended until May 31, 2011 and the Ilovitza 4 permit was the subject of a new tender which closed on November 1, 2010. The Company was present at the opening of bids for the tender on the Ilovitza 4 property area and was the successful bidder for this property.

Seven drill holes totaling nearly 3,400 meters were completed by the Company in its 2010 drill campaign designed to expand the existing 2008 NI 43-101 estimated resource of 303 million tonnes grading 0.23% copper and 0.31 grams per tonne gold. Six of these holes were drilled north of the existing resource and one hole, EOIC-10-14, tested the eastern side of the system. All holes encountered copper and gold mineralization. Drill hole EOIC-10-18 intercepted 336.5 meters at 0.30% copper and 0.37 grams per tonne gold, including 166.5 meters at 0.36% copper and 0.46 grams per tonne gold.

Summary of results:

- Hole EOIC-10-18 intercepted 570.5 meters at 0.25% copper and 0.27 grams per tonne gold including 336.5 meters at 0.30% copper and 0.37 grams per tonne gold and 166.5 meters at 0.36% copper and 0.46 grams per tonne gold. Mineralization begins near surface.

- One hundred meters north of EOIC-10-18, hole EOIC-10-16 intercepted 503 meters at 0.20% copper and 0.24 grams per tonne gold, including 137 meters at 0.28% copper and 0.34 grams per tonne gold beginning at surface.

- Hole EOIC-10-19, collared 140 meters northwest of EOIC-10-18, intercepted 338 meters at 0.20% copper and 0.25 grams per tonne gold.

- Hole EOIC-10-20 was collared 100 meters west of EOIC-10-18 and intercepted 373 meters at 0.22% copper and 0.26 grams per tonne gold including 245 meters at 0.26% copper and 0.29 grams per tonne gold, beginning at surface.

- Approximately 400 meters northeast of EOIC-10-18, hole EOIC-10-17 intercepted 293 meters at 0.13% copper and 0.29 grams per tonne gold.

- Previously reported hole EOIC-10-14, collared approximately 350 meters southeast of EOIC-10-18, intercepted 235 meters at 0.25% copper and 0.32 grams per tonne gold and hole EOIC-10-15, collared approximately 250 meters northeast of EOIC-10-18, intercepted 351 meters at 0.25% copper and 0.41 grams per tonne gold.

With the addition of the seven drill holes completed in 2010, the area now demonstrated to be underlain by copper-gold mineralization measures approximately 1 km north-south and 700 meters east-west. Mineralization remains open in all directions. The intercepts in holes EOIC-2 10-16 and -18 are the longest yet encountered on the property. Hole EOIC-10-16 terminated in mineralization.

Summary of Significant Drill Results:

Hole	From (meters)	To (meters)	Length (meters)	Copper (%)	Gold (grams per tonne)	Copper eq (%)	Gold eq (grams per tonne)
EOIC-10-16	0.6	503.6	503.0	0.20	0.24	0.34	0.58
includes	0.6	33.0	32.4	0.72	0.62	1.08	1.85
includes	255.0	392.0	137.0	0.28	0.34	0.48	0.82
EOIC-10-17	280.0	573.0	293.0	0.13	0.29	0.30	0.51
EOIC-10-18	4.5	575.0	570.5	0.25	0.27	0.41	0.70
includes	**4.5**	**341.0**	**336.5**	**0.30**	**0.37**	**0.52**	**0.88**
includes	4.5	171.0	166.5	0.36	0.46	0.63	1.08
EOIC-10-19	73.0	126.5	53.5	0.15	0.29	0.32	0.55
	153.0	491.0	338.0	0.20	0.25	0.35	0.59
EOIC-10-20	0.0	373.0	373.0	0.22	0.26	0.37	0.64
includes	**0.0**	**245.0**	**245.0**	**0.26**	**0.29**	**0.43**	**0.74**
EOIC-10-14*	0.0	235.0	235.0	0.25	0.32	0.44	0.75
EOIC-10-15*	99.0	450.0	351.0	0.25	0.41	0.49	0.84

* indicates previously released results

Weighted averages are used to calculate all reported intervals
A $1,200/oz Au price and $3/lb Cu price were used to calculate copper equivalent and gold equivalent grades using the conversion 1g/t Au = 0.583% Cu and assuming 100% metallurgical recovery.

Roger Moss, Ph.D., P.Geo., a member of the Company's Technical Advisory Board and a "qualified person" as defined by NI43-101, supervised the preparation of the technical information for Ilovitza.

The Company spent $1,075,482 in 2010 on exploration of Ilovitza and has commissioneda revised NI43-101 compliant resource report that is currently being prepared for this project. EurOmax plans to convert the Ilovitza exploration concession to a mining concession during 2011.

Kazandol Project, Macedonia

The Kazandol oxide copper project is located approximately 50 kilometres southwest of the Ilovitza project in Southeastern Macedonia. Exploration commenced in late 2007 and identified a near surface shallow dipping copper oxide zone 25 to 100 metres thick over a length of approximately five kilometres with widths up to in excess of 200 metres. The Kazandol permit was extended until July 3, 2011. Preliminary drilling was conducted in 2008 encountering 47 metres grading 0.59% copper. Five holes totaling 659 metres were drilled by the Company at the northern end of this project. In addition, surface trenching encountered 210 metres at 0.4% copper, 175 metres at 0.44% copper and 175 metres at 0.39% copper. During 2010, the Company completed a total of 2,342 metres of reverse circulation drilling in 48 holes to test the continuity of the copper oxide mineralization. The results have confirmed a potential zone of oxide copper mineralization over an area 900 metres long and 400 metres wide at Kazandol North.

The results of the drilling at Kazandol North, which are true thickness, are summarized below:

2010 KAZANDOL NORTH DRILL RESULTS

DDH Number	Total Depth (m)	From (m)	To (m)	Length (m)	Copper Percent
EKDR 1030	60	-	18	18	0.37
EKDR 1031	51	-	18	18	0.31
EKDR 1032	45	-	21	21	0.31
EKDR 1033	6	-	6	6	0.53
EKDR 1037	25	-	25	25	0.39
EKDR 1038	81	8	51	43	0.25
including		20	34	14	0.38
EKDR 1039	99	-	44	44	0.29
including		16	29	13	0.56
		70	89	19	0.37
EKDR 1040	72	-	6	6	0.50
		12	18	6	0.29
		23	41	18	0.31
EKDR 1041	36	8	21	13	0.28
EKDR 1042	33	-	8	8	0.42
		17	25	8	0.24
EKDR 1044	33	16	25	9	0.62
EKDR 1046	60	2	6	4	0.37
EKDR 1047	72	34	45	11	0.27
EKDR 1048	54	-	44	44	0.37

The drill program was also focused on identifying a potential extension of this mineralization to the south of the Kazandol North Zone. The drill results, which are true thickness, on Kazandol South are summarized below.

2010 KAZANDOL SOUTH DRILL RESULTS

RCDH Number	Total Depth (m)	From (m)	To (m)	Length (m)	Copper Percent
EKDR 1009	87	76	78	2	0.61
EKDR 1010	30	19	21	2	0.37
EKDR 1013	51	11	15	4	0.26
EKDR 1015	105	27	38	11	0.21
EKDR 1020	60	-	13	13	0.16
EKDR 1021	35	8	13	5	0.44
EKDR 1022	47	8	22	14	0.13
EKDR 1026	78	23	38	15	0.14
EKDR 1027	77	-	11	11	0.10
EKDR 1029	60	24	32	8	0.16

The Company spent $391,427 in 2010 on exploration of this project. EurOmax has decided that the results from this project do not compare favourably to the results on other properties. As a consequence the Company does not anticipate directly conducting further exploration at Kazandol and fully wrote–off the project’s carrying value of $1,204,885 against a charge to earnings in 2010. EurOmax will maintain its ownership in the Kazandol Licence and attempt to joint venture the project with a third party.

Ceovishte Project, Serbia
The Ceovishte project is located in southern Serbia. The Ceovishte licence was issued on December 7, 2005 and is extended by the Serbian government annually by completing the prior year’s agreed program. Exploration conducted during 2008 identified a series of ancient gold and lead - silver workings which extend over a strike of nearly 5 kilometres. At the southern end of this trend, a two square kilometer gold bearing silica breccia has been identified surrounding an altered diorite intrusion. Ancient overgrown open pits up to several hundred metres wide cover much of the silica breccia. At the northern end of this trend one drill hole encountered 12.4 metres at 1.5% copper, 1.4% lead, 0.8% zinc, 62 grams per tonne silver and 1.6 grams per tonne gold. Twenty holes totaling 4,310 metres were drilled by the Company on this project. The Company spent $48,071 in 2010 on exploration of this project. The Company did not find any potential economic mineralization from its exploration on the Ceovishte Licence and as a consequence will be returning the Licence to the Serbian government. The Company fully wrote–off this project’s carrying value of $2,315,880 as a charge to earnings in 2010.

KMC Project, Serbia
The KMC project located in southern Serbia was acquired from FMEC on June 6, 2008. This permit was issued on July 7, 2004 and is extended by the Serbian government annually by completing the prior year’s agreed program. The project covers a 60 square kilometre alteration zone and two mineralized centres. Drilling on the property has produced numerous significant intersections including 42 metres at 2.05 grams per tonne gold, 0.76% nickel and 0.06% cobalt included in 111 metres at 1.30 grams per tonne, 0.43% nickel, 0.03% cobalt in drill hole 0828; 120 metres grading 0.55 grams per tonne gold, 0.48% copper and 3.2 grams per tonne silver in drill hole 0829; 235 metres grading 1.08 grams per tonne gold in drill hole 0831 and 166 metres grading 0.63 grams per tonne gold, 0.58% copper, including 63 metres at 1.01 grams per tonne and 1.05% copper in drill hole 0611. The Company drilled 9 holes totaling 3,730 metres on this project to the end of 2009.

During 2010, an additional four holes totaling 1,598 metres were drilled. In addition, prior to entering into the option agreement FMEC drilled 28 holes totaling 10,058 metres at KMC. The Company spent $552,241 in 2010 on exploration of this project. The Company is planning to undertake geophysical and geochemical surveys and to drill potential buried porphyry targets in 2011.

Breznik Property, Bulgaria

The Breznik project located in Bulgaria was acquired from CGEL on October 7, 2009. The Breznik permit was issued on May 28, 2004 and expires on May 28, 2011 unless extended by the issue of a commercial discovery certificate. This project covers an area of 19 square kilometres. Breznik is a high grade gold-silver vein system which has been drilled over a strike of nearly 1,000 metres with more than 100 diamond and reverse circulation drillholes. The deposit is open along strike and at depth. Ancient workings and geochemistry suggest that the vein system extends over more than 2,000 metres of strike. In 2007, CGEL engaged Ravensgate Pty. Ltd. an Australian independent consulting and resource modeling firm to calculate resources for the Breznik project using open pit mining methods. Ravensgate estimated and categorized the resources using JORC (similar to 43-101 guidelines). The in-situ resource using a cut-off grade of 0.5 grams per tonne gold was indicated resources of 1,079,000 tonnes grading 2.01 grams per tonne gold and 6.05 grams per tonne silver and inferred resources of 689,000 tonnes grading 1.79 grams per tonne gold and 5.66 grams per tonne silver. This resource was calculated only for the main vein over a strike length of 800 metres to a depth of approximately 100 metres. During 2009, the Company drilled four holes totalling 522 metres. The results included 2 metres at 19.9 g/t gold and 23 g/t silver followed by 2.8 metres at 12.4 g/t gold and 4 g/t silver and 1 metre at 43 g/t gold and 12 g/t silver. During 2010 the Company has received the results of a preliminary metallurgical testing which indicates the Breznik ore is amenable to gravity concentration with flotation to recover additional gold from the gravity concentration tailings. The results of this study are not sufficient to define an optimal processing method. In 2010, the Company drilled a series of 26 holes totalling 3,610 metres to identify the potential extension of known mineralization to the west. This drilling allows the Company to apply for a commercial discovery certificate over the known mineralization areas. During 2010 the first phase of drilling extended the strike of the high grade Breznik gold-silver deposit (Zone 1) from nearly 1,000 metres to approximately 2,200metres. Drilling also identified a parallel zone (Zone 2) to the previously identified high grade gold-silver deposit. A previously unknown Gold – Copper target has also been identified. The second phase of drilling at Breznik in 2010 was designed to further define the results of the first phase and test the continuity of the mineralization to depth.

Results from the first phase of the 2010 program in Zone 1 include 1.3 meters at 8.94 g/t gold; 6.1 metres at 5.38 g/t gold; and 1 metre at 7.23 g/t gold in the previously explored structure. This structure remains open to the west although it does not outcrop but is below alluvial cover. The results from the drilling in Vein 1 are:

2010 ZONE 1 DRILL RESULTS

DDH Number	From (m)	To (m)	Length (m)	Gold (g/t)	Silver (g/t)
BC 1095	46.0	47.3	1.3	8.94	7.0
	69.5	82.7	13.2	1.02	14.2
including	79.7	82.7	3.0	3.37	28.3
BC 1096	35.6	41.7	6.1	5.38	3.5
including	35.6	36.6	1.0	26.60	9.0
BC 1097	66.6	73.0	6.4	1.39	7.5
including	72.0	73.0	1.0	3.64	6.0
BC 1098	59.7	63.8	4.1	1.29	8.1
including	61.7	62.7	1.0	3.19	10.0
BC 1099	32.2	35.4	3.2	1.33	9.9
BC 10100	56.0	57.0	1.0	7.23	46.0
	61.8	63.4	1.6	3.44	44.0
BC 10103			No significant results		

In parallel Zone 2, results include 4. 4 metres at 3.82 g/t gold followed by 1 meter at 6.71 g/t gold and 2 metres at 5.66 g/t gold followed by 1 meter at 4.45 g/t gold. This zone has been traced over a strike length of approximately 300 metres and is open at depth and to the east and west. The results from drilling in Zone 2 are:

2010 ZONE 2 DRILL RESULTS

DDH Number	From (m)	To (m)	Length (m)	Gold (g/t)	Silver (g/t)
BC 10100	52.6	101.3	48.7	1.08	11.3
including	52.6	57.0	4.4	3.82	25.3
and	91.4	92.4	1.0	6.71	10.0
BC 10102	58.8	94.0	35.2	0.66	11.7
including	58.8	60.8	2.0	5.66	7.5
and	90.0	91.0	1.0	4.45	225.0
BC 10104	26.6	27.6	1.0	4.59	31.0

One diamond drill hole was completed on a target north east of the Breznik gold – silver deposit. This drill hole encountered a gold – copper zone including 20.7 metres grading 1.02 g/t gold and 0.58% copper. The results of this hole are:

2010 NEW ZONE DRILL RESULTS

DDH Number	From (m)	To (m)	Length (m)	Gold (g/t)	Copper (%)
BC 101050	45.0	95.7	50.7	0.56	0.33
including	75.0	95.7	20.7	1.02	0.58

The Company spent $738,926 in 2010 on exploration of this project.

Subsequent to December 31, 2010, the Company announced an initial National Instrument 43-101 ("NI 43-101") compliant resources estimate for the Breznik project, based on data generated to the end of the 2010 field season.

Highlights of the 2.0 g/t gold cut-off Resource Estimate:

- At the base case 2.0 g/t gold cut-off grade, the Breznik project contains an inferred resource of 2.4 million tonnes at a grade of 5.91g/t Au and 26.78 g/t Ag for 463,217 ounces of contained gold and 2,100,112 ounces of silver.

- This shallow resource lies within an upper Cretaceous volcanic-sedimentary sequence comprising andesitic volcanic rocks with intercalated siltstone. These rocks are cross cut by diorite porphyry stocks and dykes. Within the 19 square kilometre license, gold and silver mineralization has been identified in eight zones that have an east west strike extent of up to 2.5 kilometers. The zones consist of delicately banded quartz-rhodochrosite veins and breccia veins within altered volcanic rocks.

- Most of the previous work has focused on Zone 1, which is well delineated, but remains open at depth below 250 metres where it appears to become thicker and higher grade.

- Of the eight known zones, seven remain open at depth and Zones 4 and 6 are open to the east, while Zones 7 and 8 are open to both east and west. It is believed that further step-out and down dip drilling could quickly expand this initial resource.

- The mineralized zones are hosted by the andesitic volcanic rocks and siltstones, and dip to the south, shallowing at a depth of about 250 meters. The shallowing of the veins and the presence of diorite porphyry stocks and dykes combined with a chargeability anomaly to the south suggests the potential for associated porphyry-style mineralization.

Inferred resources were also estimated at cut-off grades of 1.0 g/t Au and 3.0 g/t Au and are summarized in the table below. A drill hole location plan and sections can be seen in the technical report on the Company's website.

Cut – off Grade g/t Au	Tonnes (000's)	Gold Grade g/t Au	Silver Grade g/t Ag	Gold Ounces	Silver Ounces
1.00	4,128	4.03	18.03	535,416	2,392,823
2.00	**2,439**	**5.91**	**26.78**	**463,217**	**2,100,112**
3.00	1,427	7.63	29.61	349,972	1,358,586

The NI 43-101 compliant mineral resource estimate was completed for the Breznik project by Mr. Geoffrey S. Carter, P.Eng., Broad Oak Associates, who is the "qualified person" responsible for the resource estimate. The mineral resource estimates were prepared under Canadian Institute of Mining Metallurgy and Petroleum (CIM) Definition Standards (2005) and CIM Best Practice Guidelines for preparing mineral resources and mineral reserves. Mr. Carter is independent of the Company as the term is defined in NI 43-101. This report is available on the Company's website and has been filed on SEDAR.

The resource was calculated using results from 121 drill holes (98 diamond and 23 reverse circulation) drilled between 2005 and 2010. The calculation used a geological block method on longitudinal sections constructed in the plane of the vein using the calculated true widths of vein intersections. The following conditions were used in the calculation: cut-off grades of 1.0, 2.0 and 3.0 g/t gold; minimum true width of 1.5 meters; minimum grade-thickness cut-off: 1.5, 3.0 and 4.5 mg/t gold.

<u>2011 Exploration Plans</u>

For 2011, the Company's geophysical program at Breznik includes an IP/resistivity survey of 30 line kilometers and a magnetic survey over the same area. In addition all the necessary studies and plans to convert the exploration permit to a mining concession are being prepared for this project. The Company has also commenced an active search for an appropriate joint venture partner to develop this resource into a producing mine.

Trun Project, Bulgaria

The Trun project located in Bulgaria was acquired under a permit issued by the government of Bulgaria on October 7, 2004. This Trun permit expires on May 28, 2011 unless extended for one year or by the issue of a commercial discovery certificate. This project covers an area of 67.5 square kilometres. The property was the subject of mining in the southern portion of the permit from a series of small open pits and underground workings at Zlata from 1939 to 1974 where it is reported that 717,000 tonnes were mined at a grade of 5.97 grams per tonne. In addition there was a small open pit at Krushov Dol where 590,000 tonnes at a grade of 1.77 grams per tonne and 14.43 grams per tonne silver were reported to be mined from 1965 to 1974. Teck Resources Limited ("Teck") had an option to earn a 55% interest in the Trun property by spending $3 million over 4 years. Upon Teck earning its initial 55% interest, it had the option to increase its interest to 70% by spending an additional $10 million on the property. Teck terminated the option agreement in 2008 and did not earn the initial 55%. The Company wrote off its investment in the property at the end of 2008.

A further review of the project in 2010 resulted in a decision to follow-up on the work of Teck. This review indicated that the gold mineralization at Trun indicates the potential for Intrusion Related Gold ("IRG") deposits. A number of IRG deposits have been found in Europe and Asia with similar geological age and setting to Trun including Vasilkovskoe in Kazakhstan, Mokrsko in the Czech Republic and Jilau in Tajikistan. A belt of IRG deposits is located in Alaska which includethe Fort Knox, Dublin Gulch, Pogo and Donlin Creek deposits in the Tintina Gold Belt. In 2010, the Company drilled a series of 12 holes totalling 2,223 metres to identify the potential dimensions of the identified IRG style at Logo in the northern portion of the permit and the potential of IRG mineralization in the southern portion of the permit. Logo is one of a series of IRG style targets which have been identified on the fringes of an intrusion. The Logo target has been traced over an area 1,200 metres long by 300 metres wide. The mineralization is a stacked series of sheeted gently dipping zones in hornsfels on the edge of the granite intrusion. The drilling approximates the true thickness of the mineralized zone. The results of the drilling received to date at Logo are summarized below:

2010 LOGO DRILL RESULTS

DDH Number	Total Depth (m)	From (m)	To (m)	Length (m)	Gold (g/t)	Tungsten (%)
MTC 1060	399	78	230	152	0.69	n/a
including		163	217	54	1.15	0.05
MTC 1064	247	3	27	24	0.26	n/a
		55	163	108	0.64	0.07
including		111	158	47	0.93	0.07
MTC 1067	201	77	97	20	1.45	0.08

The K2 target which is in the vicinity of the previous Zlata and Krushov Dol operations has been traced over a length of 600 metres by 150 metres wide. The mineralization is a stacked series of sheeted gently dipping zones in granite at the edge of the granite intrusion. The drilling approximates the true thickness of the mineralized zones.

2010 K2 DRILL RESULTS

DDH Number	Total Depth (m)	From (m)	To (m)	Length (m)	Gold (g/t)	Tungsten (%)
MTC 1058	145	-	99	99	0.49	n/a
including		79	99	20	0.90	n/a
MTC 1059	188	80	91	11	0.62	n/a
MTC1061	117	9	43	34	0.28	0.04
including		20	34	14	ancient workings	
MTC 1062	212	0	50	20	0.94	n/a
including		6	13	7	ancient workings	
including		25	37	12	2.8	n/a
MTC1063	212	133	147	14	1.01	n/a
		166	191	25	0.34	n/a
MTC 1065	212	115	128	13	0.42	n/a
		175	197	22	0.43	n/a
MTC 1066	120		no significant intercepts			
MTC 1068	148		no significant intercepts			

The Company spent $302,010 in 2010 on exploration of this project.

Subsequent to December 31, 2010, the Company announced an initial NI 43-101 compliant resource estimate for the Logo Gold Prospect. The estimate is based on data generated to the end of the 2010 field season. The deposit remains open for expansion to the north, east and west and additional drilling is being planned for these areas.

Highlights of the 0.3 g/t gold cut-off Resource Estimate:

- At the base case 0.3g/t gold cut-off grade, the Logo Prospect contains an inferred resource of 91.2 million tonnes at a grade of 0.70g/t Au for 2.1 million ounces of contained gold.

- This resource lies within a gently dipping, sheet-like body at, or close to surface and remains open for expansion to the north, east and west. Grades and thicknesses of mineralization are improving to the north and northeast.

- Gold mineralization is hosted by hornfels immediately overlying the Big Hill granite and shares similarities to the Dublin Gulch and Fort Knox "tombstone" type gold deposits of the Tintina belt in North America.

- Mineralization occurs in stockwork quartz carbonate veins with sulphide contents generally <3%. Significant scheelite accompanies gold in places.

Inferred resources were also estimated at cut-off grades of 0.15g/t Au and 0.4g/t Au and are summarized in the table below. A drill hole location plan and cross sections can be seen in the technical report on the Company's website.

Logo Initial Mineral Resource Estimate

Material	Category	Cut-off Grade	Tonnes (Mt)	Gold (g/t)	Gold (Moz)
Sulphide	Inferred	0.15	131.8	0.59	2.5
Sulphide	**Inferred**	**0.3**	**91.2**	**0.70**	**2.1**
Sulphide	Inferred	0.4	39.6	0.98	1.2

This is the first NI 43-101 compliant mineral resource estimate completed for the Logo deposit. Mr. Geoffrey S. Carter, P.Eng., Broad Oak Associates, is the "qualified person" responsible for the resource estimate. The mineral resource estimates were prepared under CIM Definition Standards (2005) and CIM Best Practice Guidelines for preparing mineral resources and mineral reserves. Mr. Carter is independent of EurOmax as the term is defined in NI 43-101.

Although all mineral resources in the estimate were classified as inferred resources due to the relatively sparse drilling information (20 drill holes) and uncertainty in the geological model and grade estimation, the long section and cross sections of the Logo deposit show that the presence of the mineralization is extensive and demonstrates reasonable continuity.

The finalized NI-43-101 technical report on which the resource estimate is based is available on the Company's website and has been filed on SEDAR.

2011 Exploration Plans

Grades and thicknesses of mineralization appear to be improving to the north and northeast at Logo, and it is believed that this initial resource can be expanded and improved with further drilling. EurOmax is planning to drill additional holes in these areas as well as additional targets at Trun beginning the summer of 2011. Of particular note, it is believed that the granite- and syenite-hosted K2 prospect could potentially add significant ounces of gold resource to the Trun project with additional drill holes. The Trun project encompasses approximately 7,500 hectares and hosts at least five additional gold targets besides Logo and K2 that are defined by broad (+500 m diameter) gold in soil anomalies. These targets are also being evaluated for initial drill testing.

Rakitovo Project, Bulgaria

The Rakitovo project located in Bulgaria was acquired from CGEL on October 7, 2009. The Rakitovo permit was issued on May 28, 2004 and expires on May 28, 2011 unless extended for one year or by the issue of a commercial discovery certificate. This project covers an area of 33 square kilometres. Rakitovo is a high grade gold-silver vein system which has been identified over a strike of nearly 1,500 metres. The mineralization identified by drilling and surface exploration at Rakitovo has a high level of arsenic which may make commercial extraction problematic. In 2010, the Company drilled four holes totaling 898 metres to determine whether the mineralization extended to depth and also whether the level of arsenic associated with the mineralization was at a level low enough to allow environmentally acceptable recovery of the gold and silver mineralization.

The Company spent $194,550 in 2010 on exploration of this project. The Company is focusing on finding a partner to advance the Rakitovo project.

LIQUIDITY AND CAPITAL RESOURCES

The following table provides a summary of key liquidity and cash flow indicators for the years ended December 31, 2010 and 2009:

	Year Ended December 31, 2010	Year Ended December 31, 2009
Cash provided by (used in)		
Operating activities	$ (4,416,223)	$ (3,821,186)
Investing activities	(3,406,847)	12,914,352
Financing activities	811,214	(453,750)
Foreign exchange (loss) gain on cash held in foreign currency	30,518	(736,317)
Increase (decrease) in cash and cash equivalents during the year	(6,981,338)	7,903,099
Cash and cash equivalents – beginning	8,234,111	331,012
Cash and cash equivalents – ending	1,252,773	8,234,111
Working capital	1,973,473	8,628,342

At December 31, 2010, the Company had working capital of $1,973,473, compared to $8,628,342 at December 31, 2009 including a cash balance of $1,252,773 (December 31, 2009: $8,234,111).

Accounts receivable and prepaid expenses increased to $969,480 at December 31, 2010 compared to $689,580 at December 31, 2009. The increase is due to a higher HST receivable of $298,084 in 2010, mostly incurred in connection with the contested shareholders meeting. HST refunds outstanding at

December 31, 2010 were received by the Company in full subsequent to year end. The Company also has a higher VAT receivable in Bulgaria, as a result of the increased exploration activity in that country in 2010. It is customary for VAT refunds in Bulgaria to take several quarters to recover.

In December 2010, the Company sold its investment in CGEL, a company listed on the Australian Stock Exchange. A total of 3,169,788 shares were sold for net proceeds of $172,150, which were received by the Company subsequent to year end, and resulted in a loss of $146,688 charged to earnings.

Accounts payable and accrued liabilities were $248,780 at December 31, 2010 compared to $295,349 at the end of 2009.

During the year ended December 31, 2010, capital expenditures were funded by existing cash reserves.

The Company's ability to continue operations is contingent on its ability to obtain additional financing. Subsequent to year end, the Company completed a private placement for gross proceeds of $7,875,000 and issued 22,500,000 units at a price of $0.35 per unit. This financing will allow the Company to fund operations and advance its projects in the Region at least through 2011.

Operating Activities

Cash used in operations during the year, including the changes in non-cash working capital items, was $4,416,223 (year ended December 31, 2009: $3,821,186).

Financing Activities

Cash received from financing activities in 2010 was $811,214 from the exercise of 3,850,000 warrants and 198,403 stock options. In 2009, cash used in financing activities was $453,750 and included a $853,750 repayment of a short-term loan, proceeds from a loan of $250,000 and $150,000 from the exercise of 1,000,000 warrants.

Investing Activities

The Company used cash of $3,406.847 in investing activities in 2010 (2009: cash received from investing activities of $12,914,352).

In 2010, $3,404,170 was spent on acquisition and exploration on the Company's mineral properties (2009: $1,833,060).

In 2010, the Company allocated $2,677 into restricted cash deposits (2009: $31,482). In 2009, the Company used $167,452 for a corporate acquisition and received $14,946,346 for the sale of its interest in Jiaxin Minerals Co. Ltd., a Chinese joint venture company, and there was no such receipt in 2010.

FOURTH QUARTER

In the quarter ended December 31, 2010 ("Q4-2010") the Company posted a loss of $1,072,800, or $0.01 per share, compared to a loss of $1,883,000 or $0.02 per share in the quarter ended December 31, 2009 ("Q4-2009").

The main expenses during the quarter were general and administration expenses of $521,699 and stock-based compensation of $351,840. General and administration expenses included costs of the Company's head office in Vancouver and also administrative expenses incurred in the Region, as the Company does not capitalize general and administrative expenses. Stock-based compensation is recognized by the Company on a straight-line basis over the vesting period.

The Company also recorded a loss on sale of an investment of $146,688 and a foreign exchange loss of $64,885 in Q4-2010.

CONTRACTUAL OBLIGATIONS

The Company's mineral properties in Serbia and Macedonia were acquired under option agreements with FMEC. The Company has a drilling commitment on the KMC property to maintain the option agreements. The Company is up to date with this drilling commitment.

As part of the requirements to maintain the option in good standing, the Company must maintain the underlying properties in good standing.

In Macedonia, these properties are held pursuant to Exploration Permits ("Permits") granted by the Ministry of Economy. These Permits have an initial term of four years with a right to extend the term under certain circumstances. The Company may withdraw from the Permits at any time. In the event of an economic discovery on a Permit, the Company has the right to apply for a mineral concession ("Concession"). The term for a Concession is for an initial term of 30 years to extract the mineralization and is renewable for an additional 30 years.

In Serbia, Exploration Permits are issued under the 1996 Law on Geological Exploration by the Serbian Ministry of Energy and Mines. An Exploration Permit is valid until the end of the calendar year in which it was issued and can be extended until the end of the following calendar year by filing an annual report on the previous year's work program and a proposed work program for the current year. The Exploration Permit grants rights to explore for mineral deposits, but not to exploit a mineral deposit should a discovery be made. In case of a discovery under the terms of an Exploration Permit, the transfer of the ownership rights to an Exploitation License are regulated under paragraph 17 of the 2005 Act on the Amendments to the Mining Act of 1995.

In Bulgaria, the properties are held pursuant to an exploration permit granted by the Ministry of Environment and Waters (the "Ministry") under the Underground Natural Resources Act of Bulgaria with an initial term of three years. These exploration permits are subject to two extensions of two years followed by one additional one year extension at the discretion of the Ministry. Extensions are normally granted provided that the agreed upon work program has been completed. The last extension will only be granted if resources have been identified on the permit and require further evaluation prior to the designation of a Commercial Discovery by the Ministry. The holder of an exploration permit may apply for the designation of a Commercial discovery. The holder of an exploration permit which has a Commercial Discovery may apply for a Production Concession. Production Concessions have a term of 35 years which can be extended for an additional 15 years.

SUBSEQUENT EVENTS

Subsequent to December 31, 2010:

- The Company completed a non-brokered private placement consisting of 22,500,000 units ("Units") in the Company at a price of $0.35 per Unit, for gross proceeds of $7,875,000. Each unit is comprised of one common share and one-half of one common share purchase warrant. Each full warrant entitles the holder to acquire one additional common share of the Company at an exercise price of $0.50 until February 24, 2012. All securities issued pursuant to the private placement are subject to a four-month hold period, expiring on June 25, 2011.

- The Company received $312,150 from the exercise of 1,290,000 stock options and warrants.

- The Company granted 2,175,000 stock purchase options.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

The Company's significant accounting policies are summarized in Note 3 of its Audited Consolidated Financial Statements. The preparation of the Company's financial statements in conformity with generally accepted accounting principles in Canada requires management to make judgments with respect to certain estimates and assumptions. These estimates and assumptions, based on management's best judgment, affect the reported amounts of certain assets and liabilities, including disclosure of contingent liabilities. On an ongoing basis, management re-evaluates its estimates and assumptions. Actual amounts, however, could differ significantly from those based on such estimates and assumptions.

Significant areas critical in understanding the judgments that are involved in the preparation of the Financial Statements and the uncertainties inherent within them include the determination of impairment of long-lived assets and stock-based compensation.

Impairment of Long-Lived Assets

CICA Handbook Section 3063: "Impairment of Long-Lived Assets" ("Section 3063") and EIC-174: "Mining Exploration Costs" establish standards for the recognition, measurement and disclosure of impairment of long-lived assets and provide guidance on the assessment of impairment of exploration costs that have been capitalized. Long-lived assets are impaired whenever events or changes in circumstances indicate that the related carrying amounts may not be recoverable in which case an impairment loss is recognized and charged to operations.

The Company's long-lived assets consist of equipment and mineral properties. Office and other equipment are depreciated over their estimated useful lives on a straight-line basis over 3 to 10 years. Expenditures relating to mineral properties are capitalized at cost, less recoveries in the pre-production stage, until such time these properties are put into commercial production, sold or abandoned. Upon commencement of production, capitalized mineral property expenditures will be charged to the results of operations over the estimated life of the mine in accordance with the unit-of-production method.

At the end of each accounting period, or whenever circumstances indicate, the Company reviews the carrying value of its long-lived assets based on a number of factors. For capitalized mineral property expenditures, these factors include analysis of exploration results, permitting considerations and current economics. Should an impairment be determined, the Company would write-down the recorded value of the long-lived asset to the results of operations.

Stock-Based Compensation

CICA Handbook Section 3870: Stock-Based Compensation and Other Stock-Based Payments ("Section 3870") established standards for the recognition, measurement and disclosure of stock-based compensation and other stock-based payments made in exchange for goods and services. Section 3870 requires a fair value-based method of accounting for stock options granted to employees, including directors, and to non-employees.

The fair value of each option granted is estimated on the date of grant using the Black-Scholes option pricing model. This model requires the calculation of certain variables, including the volatility of the Company's stock price, requiring various estimates and assumptions be made by management. Actual results may be significantly different from those calculated using this model.

ACCOUNTING PRONOUNCEMENTS

Business Combinations/Consolidated Financial Statements/Non-Controlling Interests

For interim and annual financial statements relating to its fiscal year commencing on or after January 1, 2010, the Company adopted new Canadian Institute of Chartered Accountants ("CICA") Section 1582 "Business Combinations", Section 1601 "Consolidated Financial Statements" and Section 1602 "Non-Controlling Interests". Section 1582 replaces existing Section 1581 "Business Combinations", and

Sections 1601 and 1602 together replace Section 1600 "Consolidated Financial Statements." The adoption of Sections 1582 and, collectively, 1601 and 1602 provides the Canadian equivalent to International Financial Reporting Standards "(IFRS") 3 "Business Combinations" and International Accounting Standards ("IAS") 27 "Consolidated and Separate Financial Statements" respectively. The adoption of these new standards did not significantly impact the Company's consolidated financial statements.

INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRS") IMPLEMENTATION PLAN

In February 2008, the Accounting Standards Board ("AcSB") approved a strategic plan which requires public companies to adopt IFRS for fiscal periods beginning on or after January 1, 2011. The Company will therefore be required to have comparative financial information prepared under IFRS as of January 1, 2010.

The Company is working on completing its IFRS conversion project and will be issuing a full set of IFRS financial statements for the quarter ended March 31, 2011.

The adoption of IFRS is not expected to have a major effect on the Company's overall operations except for the fact that the conversion effort is requiring additional resources (external) to assist with the preparation of the initial set of IFRS financial statements. Also, on an ongoing basis disclosure requirements will increase substantially. The Company will be able to continue using its current information technology platforms.

The Company has identified key areas affected by the conversion to IFRS: impairment analysis and measurement of stock-based compensation.

Impairment requirements are more stringent under IFRS than under Canadian GAAP. Annual impairment testing will be required in respect of the Company's mineral properties.

The Company has considered the potential effect of share based payments under IFRS and has concluded that there will be certain impact on its financial statements on adoption of IFRS, as options granted by the Company vest beyond the year of grant. Under IFRS, the concept of "graded vesting" frontloads the stock based compensation expense for options granted such that the expense is higher in initial quarters and reduces as options vest, as opposed to "straight line vesting" under Canadian GAAP. The calculation of the underlying fair value under both IFRS and Canadian GAAP is the same and the changes are only with respect to the timing of the allocation of the resulting cost as options vest. The Company has identified and is in the process of implementing a software tool to assist the calculation of stock-based compensation under IFRS.

EVALUATION OF DISCLOSURE CONTROLS AND PROCEDURES

Public companies are required to perform an evaluation of disclosure controls and procedures annually and to disclose management's conclusions about the effectiveness of these disclosure controls and procedures in its annual MD&A.

The Company's President and Chief Executive Officer, and Chief Financial Officer are responsible for establishing and maintaining disclosure controls and procedures for the Company and have concluded that, as of the end of the period covered by this report, the disclosure controls and procedures of the Company were effective to ensure that the information required to be disclosed by the Company is reported in a timely and effective manner.

INTERNAL CONTROLS OVER FINANCIAL REPORTING

Internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Canadian Generally Accepted Accounting Principles. Management is responsible for establishing and maintaining adequate internal control over financial reporting for the Company. Due to its limited size and resources and the nature of its operations, the Company faces inherent limitations with regards to internal controls in general, including internal controls over financial reporting. These limitations include a lack of segregation of duties and the potential for management override of controls.

There were no changes in the Company's internal control over financial reporting during the year ended December 31, 2010 that have materially affected, or are reasonably likely to affect, the Company's internal control over financial reporting.

OPERATIONAL AND OTHER BUSINESS RISKS AND UNCERTAINTIES

The following risk factors, as well as risks not currently known to the Company, could materially adversely affect the Company's future business, operations and financial condition and could cause them to differ materially from the estimates described in the forward-looking statements and information contained herein. The risks sets out below include those that are widespread and associated with any form of business and those that are specific risks associated with the Company's business and its involvement in the exploration and mining industry generally, and in southern Europe in particular. Shareholders and prospective investors should carefully consider, in light of their own financial circumstance, the factors set out herein.

Global Financial Conditions

Recent global financial conditions have been characterized by volatility and several financial institutions have either gone into bankruptcy or have had to be rescued by governmental authorities. Access to financing has been negatively impacted by many factors as a result of the global financial crisis. This may impact the Company's ability to obtain financing in the future at all, or on reasonable terms. Additionally, global economic conditions may cause decreases in asset values that are deemed to be other than temporary, which may result in impairment losses.

Fluctuation of Commodity Prices

The Company's exploration and other mining activities have previously been, and may in the future be, significantly adversely affected by declines in commodity prices. Commodity prices are volatile and are affected by numerous factors beyond the Company's control such as the sale or purchase of metals by various central banks and financial institutions, interest rates, exchange rates, inflation or deflation, fluctuation in the value of the United States dollar and foreign currencies, global and regional supply and demand, and the political and economic conditions of major mining countries throughout the world. Any future serious drop in commodity prices or sustained low commodity prices could adversely impact the Company's future revenues, profits and cash flows. In particular, sustained low, or further reductions in, commodity prices could:

- reduce or eliminate the Company's ability to finance the exploration of existing and future mineral projects;
- force the Company to lose its interest in, or to sell, all or some of its properties;
- halt or delay the development of existing or new projects; and
- reduce the value of the Company's securities.

Furthermore, declining or sustained low commodity prices could impact the Company's operations by requiring a reassessment of the feasibility of any existing or new projects. Even if the project is ultimately determined to be economically viable, the need to conduct such a reassessment may cause substantial delays or may interrupt operations until the reassessment can be completed.

Dependence on Third Party Financing

The Company currently has no source of operational cash flow. As a result, the Company will continue to depend on third party financing to fund future working capital, capital expenditures, operating and exploration costs and other general corporate requirements. The success and the pricing of any such capital raising and/or debt financing will be dependent upon the prevailing market conditions at that time and upon the ability of a company without any significant projects already in production to attract significant amounts of debt and/or equity. There can be no assurance that such financing will be available to the Company or, if it is, that it will be offered on acceptable terms. Failure to obtain sufficient financing, as and when required, may result in a delay or indefinite postponement of exploration or development on any or all of the Company's properties.

Currency Risk
The Company maintains most of its working capital in Canadian and United States dollars. Although, the Company currently operates in Bulgaria, Macedonia and Serbia a significant portion of its operating costs are incurred in United States dollars or Euros. Accordingly, the Company is subject to fluctuations in the rates of currency exchange between the Canadian, United States dollar and the Euro. The Company has not hedged its exposure to currency fluctuations.

Economic and Political Instability in Foreign Jurisdictions
The Company currently operates in Bulgaria, Macedonia and Serbia. There are risks to conducting business in foreign countries. These risks may include, among others, invalidation of governmental orders and permits, corruption, uncertain political and economic environments, sovereign risk, war, civil disturbances, arbitrary changes in laws or policies, the failure of foreign parties to honour contractual relations, delays in obtaining or the inability to obtain necessary governmental permits, authorizations and consents, limitations on foreign ownership, limitations on the repatriation of earnings, limitations on exports, instability due to economic under-development, inadequate infrastructure and increased financing costs. In addition, the enforcement by the Company of its legal rights to exploit its properties may not be recognized by any foreign government or by the court system of a foreign country. These risks may limit or disrupt the Company's operations, restrict the movement of funds or result in the deprivation of mining related rights or the taking of property by nationalization or expropriation without fair compensation.

Mineral Exploration
Mineral resource exploration is highly speculative, involves substantial expenditures, and is frequently unsuccessful. Few prospects that are explored are ultimately developed into producing mines. To the extent that the Company continues to be involved in exploration, the long-term success of its operations will be related to the cost and success of its exploration programs. There can be no assurance that the Company's exploration efforts will be successful. The success of exploration is determined in part on the following factors:

- the identification of potential mineralization based on superficial analysis;
- availability of prospective land;
- availability of government-granted exploration and exploitation permits;
- the quality of management and geological and technical expertise; and
- the capital available for exploration and development.

Substantial expenditures are required to determine if a project has economically mineable mineralization. It could take several years to establish proven and probable mineral reserves and to develop and construct mining and processing facilities. As a result of these uncertainties, there can be no assurance that current and future exploration programs will result in the discovery of mineral reserves and the development of mines.

Resource Estimates
The mineral resource estimates presented herein are made by Company personnel and independent geologists. These estimates are imprecise and depend upon geological interpretation and statistical inferences drawn from drilling and sampling analysis, which may prove to be unreliable. There can be no assurance estimates will be accurate. The inclusion of mineral resource estimates should not be regarded as a representation that these amounts can be economically exploited and no assurances can be given that such resource estimates will be converted into reserves.

Operating Hazards and Other Uncertainties
The Company's business operations are subject to risks and hazards inherent in the mining industry. The exploration for and the development of mineral deposits involves significant risks, including:

- environmental hazards;
- discharge of pollutants or hazardous chemicals;
- industrial accidents;
- labour disputes and shortages;
- supply and shipping problems and delays;
- shortage of equipment and contractor availability;
- unusual or unexpected geological or operating conditions;
- fire;
- changes in the regulatory environment; and
- natural phenomena such as inclement weather conditions, floods and earthquakes.

These or other occurrences could result in damage to, or destruction of, mineral properties, personal injury or death, environmental damage, delays in mining, monetary losses and possible legal liability. The Company could also incur liabilities as a result of pollution and other casualties all of which could be very costly and could have a material adverse effect on the Company's financial position and results of operations.

Limitations on the transfer of cash or other assets
The Company is a Canadian company that conducts operations through foreign (principally Bulgaria, Macedonia and Serbia) subsidiaries and joint ventures, and substantially all of the Company's assets consist of equity in these entities. Accordingly, any limitation on the transfer of cash or other assets between the Company and these entities, or among these entities, could restrict the Company's ability to fund its operations efficiently.

Permitting Requirements
Mining operations require mining and other permits from the government. These permits may not be issued on a timely basis or at all, and such permits, when issued, may be subject to requirements or conditions with which it is burdensome or expensive to comply. Furthermore, there is no assurance that delays will not occur in connection with obtaining all necessary renewals of existing permits, additional permits for any possible future changes to operations, or additional permits associated with new legislation.

Government Regulation
Mineral businesses are subject to regulation and intervention by governments in such matters as the imposition of specific exploration, drilling and development obligations; environmental protection controls and control over the development and abandonment of resource (including restrictions on production). As well, governments may regulate or intervene with respect to prices, taxes, royalties and the exportation of commodities. Such regulation may be changed from time to time in response to economic or political conditions. The implementation of new regulations or the modification of existing regulations affecting the minerals industries could reduce demand for commodities produced, increase the Company's operating costs and have a material adverse impact on the Company.

Environmental Risks
All phases of the Company's operations are subject to environmental regulation in the various jurisdictions in which it operates. There is no assurance that the Company will have or be able to obtain all necessary environmental approvals, licenses, permits or consents or be in compliance therewith or that notwithstanding its precautions, breaches of environmental laws (whether inadvertent or not) will not occur. The lack of or inability to obtain any such approvals, licences, permits or consents or any breaches of environmental laws, may result in penalties including fines or other sanctions, breach of the conditions of a mining concession or other consent or permit with possible revocation of the concession, consent or permit. In this regard, environmental hazards may exist on the properties in which the Company has an interest which are unknown to the Company at present and which have been caused by previous or existing owners or operators of the properties.

Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations, or its ability to develop its properties economically.

Litigation risks
All industries, including the mining industry, are subject to legal claims, with and without merit. Defence and settlement costs can be substantial, even with respect to claims that have no merit. Due to the inherent uncertainty of the litigation process, the resolution of any particular legal proceeding could have a material adverse effect on the Company's financial position and results of operations.

Competition
The Company faces strong competition from other mining companies in connection with the acquisition of properties producing, or capable of producing, precious or base metals. The majority of these companies have greater financial resources, operational experience and technical capabilities. As a result, there can be no assurance that the Company will be able to compete successfully against other companies in acquiring new prospecting, development or mining rights.

Title Matters
The Company periodically confirms the validity of its title to, or contract rights with respect to, each mineral property in which it has a material interest. However, the Company cannot guarantee that title to its properties will not be challenged. The Company's mineral properties could be subject to prior unregistered agreements, transfers or claims, and title could be affected by, among other things, undetected defects. In addition, the Company might be unable to operate its properties as permitted or to enforce its rights with respect thereto.

Insurance coverage could be insufficient
While the Company maintains insurance to protect against certain risks, the nature of these risks is such that liability could exceed policy limits or could be excluded from coverage. There are also risks against which the Company cannot insure or against which it may elect not to insure. Losses from these events may cause substantial delays and require significant capital outlays, adversely affecting future financial performance and results of operations.

Dependence on Key Personnel
The success of the Company and its ability to continue to carry on operations is dependent upon its ability to retain the services of certain key personnel. The loss of their services to the Company may have a material adverse effect on the Company. The Company does not presently have "key person" life insurance for any of its officers.

Conflicts of Interest
Certain of the directors and officers of the Company are directors or officers of other mineral resource companies and, to the extent that such other companies may participate in ventures in which the Company may participate, the directors of the Company may have a conflict of interest in negotiating and

concluding terms respecting the extent of such participation. In the event that such a conflict of interest arises at a meeting of the directors of the Company, a director who has such a conflict will abstain from voting for or against the approval of such matter. Furthermore, in appropriate cases the Company will establish a special committee of independent directors to review a matter in which several directors, or management, may have a conflict.

FORWARD-LOOKING STATEMENTS

This document contains statements that are forward-looking, such as those relating to results of operations and financial condition, capital spending, financing sources, commodity prices, mineral resources and property evaluation plans and programs. Forward-looking statements are frequently characterized by words such as "plan", "expect", "project", "intend", "believe", "anticipate" and other similar words, or statements that certain events or conditions "may" or "will" occur. Forward-looking statements are based on the opinions and estimates of management at the dates the statements are made, and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements. The forward-looking statements contained in this MD&A are as of the date of this document, and are subject to change after this date. Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking statements. EurOmax disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

OTHER MD&A REQUIREMENTS

As of April 25, 2011, the Company had outstanding: 147,900,442 common shares, 14,404,900 share purchase warrants with exercise prices ranging from $0.13 to $0.50 per share and 10,278,228 stock options, with exercise prices ranging from $0.13 to $0.72 per share.

Additional information is available on SEDAR at www.sedar.com and at the Company's website www.EurOmaxresources.com.