Condensed consolidated interim financial statements of

EurOmax Resources Ltd.

March 31, 2011
(Unaudited – Prepared by Management and
Subject to Year End Adjustments)

EurOmax Resources Ltd.

Condensed consolidated interim statements of comprehensive loss
three month periods ended March 31,

(Stated in Canadian dollars)

(Unaudited - Prepared by Management)

	2011	2010
	$	$
Expenses		
Depreciation	**19,533**	20,832
Foreign exchange (gain) loss	**(9,653)**	126,702
General exploration	**-**	65,583
Share-based compensation	**343,316**	55,637
Other	**-**	4,428
General and administrative	**429,419**	674,649
	(782,615)	(947,831)
Other items		
Other income	**1,360**	2,692
Net loss	**(781,255)**	(945,139)
Other Comprehensive Income (Loss)		
Loss on available-for sale financial asset	**-**	(50,131)
Cumulative translation adjustment	**182,484**	(383,356)
	182,484	(433,487)
Comprehensive Loss	**(598,771)**	(1,378,626)
Loss per share, basic and diluted	**(0.00)**	(0.01)
Weighted average number of common shares outstanding, basic and diluted	**134,054,775**	120,062,040

See accompanying notes to the condensed consolidated interim financial statements

EurOmax Resources Ltd.

Condensed consolidated interim statement of financial position

(Stated in Canadian dollars)

(Unaudited - Prepared by Management)

	Note	**March 31, 2011**	December 31, 2010	January 1, 2010
		$	$	$
Assets				
Current assets				
Cash and cash equivalents		**8,020,413**	1,252,773	8,234,111
Amounts receivable and prepaid deposits		**1,303,813**	969,480	689,580
		9,324,226	2,222,253	8,923,691
Available-for-sale investment		**-**	-	475,190
Restricted cash		**48,611**	49,900	47,223
Equipment		**179,138**	154,671	213,124
Unproven mineral interests	6	**7,131,379**	6,571,692	6,976,916
		16,683,354	8,998,516	16,636,144
Liabilities				
Current liabilities				
Accounts payable and accrued liabilities		**275,298**	248,780	295,349
		275,298	248,780	295,349
Shareholders' equity				
Share capital	7	**40,840,760**	34,061,257	33,101,084
Authorized				
Unlimited number of common shares without par value				
Issued and outstanding				
147,900,442 common shares				
Other reserves	7	**4,181,868**	2,704,280	2,510,310
Accumulated other comprehensive loss		**(254,300)**	(436,784)	156,352
Deficit, accumulated during the exploration stage		**(28,360,272)**	(27,579,017)	(19,426,951)
		16,408,056	8,749,736	16,340,795
		16,683,354	8,998,516	16,636,144

Nature of operations 1

Approved on behalf of the Board of Directors

"Mark Gustafson"

Mark Gustafson, Director

"Donald Siemens"

Donald Siemens, Director

See accompanying notes to the condensed consolidated interim financial statements

EurOmax Resources Ltd.

Condensed consolidated interim statements of changes in equity

(Stated in Canadian dollars)

(Unaudited - Prepared by Management)

	Common shares		Other	Deficit during the exploration	Accumulated other comprehensive income	
	Number	Amount	reserves	stage	(loss)	Total
		$	$	$	$	$
Balance at December 31, 2010	124,110,442	34,061,257	2,704,280	(27,579,017)	(436,784)	8,749,736
Net loss for the period	-	-	-	(781,255)	-	(781,255)
Cumulative translation adjustment	-	-	-	-	182,484	182,484
Shares issued on private placement of common						-
shares and warrants	22,500,000	6,711,668	1,163,332	-	-	7,875,000
Share issue costs	-	(232,991)	(40,384)	-	-	(273,375)
Shares issued on exercise of stock options	1,290,000	581,850	(269,700)	-	-	312,150
Share-based compensation expense	-	-	343,316	-	-	343,316
Balance at March 31, 2011	147,900,442	41,121,784	3,900,844	(28,360,272)	(254,300)	16,408,056
			-			
Balance at December 31, 2009	120,062,039	33,101,084	2,510,310	(19,426,951)	156,352	16,340,795
Net loss for the period	-	-	-	(945,139)	-	(945,139)
Cumulative translation adjustment	-	-	-	-	(383,356)	(383,356)
Unrealized loss on available-for-sale financial investment	-	-	-	-	(50,121)	(50,121)
Share-based compensation expense	-	-	55,637	-	-	55,637
Balance at March 31, 2010	120,062,039	33,101,084	2,565,947	(20,372,090)	(277,125)	15,017,816

See accompanying notes to the condensed consolidated interim financial statements

EurOmax Resources Ltd.

Condensed consolidated interim statements of cash flows

three month periods ended March 31,

(Stated in Canadian dollars)

(Unaudited - Prepared by Management)

	2011	2010
	$	$
Operating activities		
Net loss	**(781,255)**	(945,139)
Items not involving cash		
Depreciation	**19,533**	20,832
Stock-based compensation	**343,316**	55,637
Amounts receivable and prepaid deposits	**(334,333)**	(100,968)
Accounts payable and accrued liabilities	**26,518**	(43,836)
Cash used in operating activities	**(726,221)**	(1,013,474)
Investing activities		
Restricted cash deposits	**1,289**	1,359
Expenditures on equipment and unproven mineral interests	**(626,383)**	(457,126)
Cash used in investing activities	**(625,094)**	(455,767)
Financing activities		
Proceeds from issue of common shares pursuant to private placement	**7,875,000**	-
Share issue costs	**(273,375)**	-
Proceeds from issue of common shares pursuant to exercise of options	**312,150**	-
Cash generated from financing activities	**7,913,775**	-
Increase (decrease) in cash and cash equivalents	**6,562,460**	(1,469,241)
Effect of foreign exchange rate changes on cash	**205,180**	(139,178)
Cash and cash equivalents, beginning of period	**1,252,773**	8,234,111

See accompanying notes to the condensed consolidated interim financial statements

EurOmax Resources Ltd.

Condensed consolidated interim schedule of unproven mineral interests

(Stated in Canadian dollars)
(Unaudited - Prepared by Management)

	Bulgaria			Macedonia		Serbia		
	Trun	Breznik	Rakitovo	Ilovitza	Kazandol	KMC	Ceovishte	Total
	$	$	$	$	$	$	$	$
Balance, January 1, 2010	-	372,715	-	1,593,281	806,284	2,000,214	2,204,422	6,976,916
Exploration expenditures:								
Assays and analysis	19,751	83,792	-	15,453	15,974	-	-	134,970
Drilling	242,136	483,204	130,362	733,891	214,623	-	-	1,804,216
Geological consulting	33,492	2,627	42,362	134,614	105,391	-	28,504	346,990
Geophysical contractors	-	134,847	21,773	-	-	-	-	156,620
Other	963	34,252	-	241,946	55,439	-	19,568	352,168
	296,342	1,111,437	194,497	2,719,185	1,197,711	2,000,214	2,252,494	9,771,880
Other items:								
Acquisition costs and payments	2,827	2,195	-	-	-	-	-	5,022
Impairment of unproven mineral rights	-	-	-	-	(1,197,711)	-	(2,252,494)	(3,450,205)
Exchange differences	11,585	43,124	7,352	105,478	-	77,456	-	244,995
Balance, December 31, 2010	310,754	1,156,756	201,849	2,824,663	-	2,077,670	-	6,571,692
Balance, January 1, 2011	310,754	1,156,756	201,849	2,824,663	-	2,077,670	-	6,571,692
Exploration expenditures:								
Assays and analysis	-	-	-	18,602	-	4,615	-	23,217
Drilling	37,128	-	-	175,740	-	-	-	212,868
Geological consulting	77,100	11,605	933	112,185	-	-	-	201,823
Geophysical contractors	-	-	-	-	-	-	-	-
Other	40,082	-	-	110,777	-	-	-	150,859
	465,064	1,168,361	202,782	3,241,967	-	2,082,285	-	7,160,459
Other items:								
Acquisition costs and payments	-	-	-	32,105	-	-	-	32,105
Impairment of unproven mineral rights	-	-	-	-	-	-	-	-
Exchange differences	(3,956)	(9,939)	(1,725)	(27,852)	-	(17,713)	-	(61,185)
Balance, March 31, 2011	461,108	1,158,422	201,057	3,246,220	-	2,064,572	-	7,131,379

See accompanying notes to the condensed consolidated interim financial statements

1. Corporate information

These condensed consolidated financial statements include the accounts of EurOmax Resources Ltd. (the "Company" or "EurOmax") and of its wholly-owned subsidiaries, Power Fortune Limited, Silk Road Exploration Limited, Omax International Ltd., Omax Energy Ltd., Martern EOOD ("Martern"), EOX Services Ltd., Thrace Resources EOOD, EurOmax Macedonia dooel, Skopje, Martern Macedonia dooel, EurOmax Resources Serbia d.o.o., South Danube Metals Beograd d.o.o and Scala Mines EOOD ("Scala").

The Company operates in one segment being the exploration and development of mineral properties.

The Company is in the process of exploring its mineral properties in Bulgaria, Serbia and Macedonia and has not yet determined whether its mineral properties contain reserves that are economically recoverable. The measurement of certain assets and liabilities is dependent on future events, therefore the preparation of these consolidated financial statements requires the use of estimates, which may vary from actual results. The success of the Company's exploration and development of its mineral interests is influenced by significant financial risks, legal and political risks, commodity prices, and the ability of the Company to discover economically recoverable reserves and to bring such reserves into future profitable production. The amounts shown for mineral interests represent net costs incurred to date less amounts written-off and do not necessarily represent present or future values. Such estimates have been made using careful judgments and conform to the significant accounting policies summarized below.

As of March 31, 2011, the Company has no source of operating cash flows, has not yet achieved profitable operations, has accumulated losses of $28,360,272 (December 31, 2010 - $27,579,017) and expects to incur further losses in the development of its business, all of which cast substantial doubt about the Company's ability to continue as a going concern. The Company's ability to continue as a going concern is dependent upon the Company obtaining additional equity and/or debt financing and/or new strategic partners and obtaining the necessary permits in connection with the development of its properties in Southeastern Europe. Failure to obtain future financing and/or strategic partnerships and the necessary permits could result in the delay or indefinite postponement of further exploration of the Company's properties and may result in the Company not meeting any of its operational and capital requirements.

The Company's condensed consolidated financial statements do not include any adjustments to the recoverability and classification or recorded assets, or the amount or classification of liabilities, all of which would be necessary if the going concern assumption was not appropriate. Such adjustments could be material.

Uncertainty also exists with respect to the recoverability of the carrying value of certain mineral properties. The ability of the Company to realize on its investment in resource properties is contingent upon resolution of the uncertainties and confirmation of the Company's title to the mineral properties.

The head office, principal address and registered and records office of the Company are located at 1950-400 Burrard Street, Vancouver, B.C. V6C 3A6.

The condensed consolidated financial statements are presented in Canadian dollars and all values are rounded to the nearest dollar except where otherwise indicated.

2. Basis of preparation

(a) *Statement of compliance*

These condensed consolidated interim financial statements are unaudited and have been prepared in accordance with IAS 34, *Interim Financial Reporting* ("IAS 34") using accounting policies consistent with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

These are the Company's first IFRS interim condensed consolidated financial statements for part of the period covered by the Company's first IFRS consolidated annual financial statements for the year ending December 31, 2011. Previously, the Company prepared its consolidated annual and consolidated interim financial statements in accordance with Canadian generally accepted accounting principles ("Canadian GAAP").

As these are the Company's first set of condensed consolidated interim financial statements in accordance with IFRS, the Company's disclosures exceed the minimum requirements under IAS 34. The Company has elected to exceed the minimum requirements in order to present the Company's accounting policies in accordance with IFRS and the additional disclosures required under IFRS, which also highlight the changes from the Company's 2010 annual consolidated financial statements prepared in accordance with Canadian GAAP. In 2012 and beyond, the Company may not provide the same amount of disclosure in the Company's interim consolidated financial statements under IFRS as the reader will be able rely on the annual consolidated financial statements which will be prepared in accordance with IFRS.

The policies applied in these interim condensed consolidated financial statements are based on IFRS issued and outstanding as of June 24, 2011, the date the Board of Directors approved the statements. Any subsequent changes to IFRS that are given effect in the Company's annual consolidated financial statements for the year ending December 31, 2011 could result in restatement of these interim consolidated financial statements, including the transition adjustments recognized on change-over to IFRS.

These condensed consolidated interim financial statements should be read in conjunction with the Company's Canadian GAAP annual financial statements for the year ended December 31, 2010.

(b) *Basis of presentation*

The financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair value, as explained in the accounting policies set out in Note 3. The comparative figures presented in these consolidated financial statements are in accordance with IFRS and have not been audited.

These condensed consolidated interim financial statements include the accounts of the Company and its wholly owned subsidiaries. All intercompany balances and transactions have been eliminated.

(c) *Adoption of new and revised standards and interpretations*

The IASB has issued the following standards which have not yet been adopted by the Company. Each of the new standards is effective for annual periods beginning on or after January 1, 2013 with early adoption permitted. The Company has not yet begun the process of assessing the impact that the new and amended standards will have on its consolidated financial statements or whether to early adopt any of the new requirements.

The following is a brief summary of the new standards:

IFRS 9 – Financial instruments - classification and measurement

This is the first part of a new standard on classification and measurement of financial assets and financial liabilities that will replace IAS 39, Financial Instruments: Recognition and Measurement. IFRS 9 has two measurement categories: amortized cost and fair value.

IFRS 10 – Consolidation

IFRS 10 requires an entity to consolidate an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Under existing IFRS, consolidation is required when an entity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. IFRS 10 replaces SIC-12 Consolidation—Special Purpose Entities and parts of IAS 27 Consolidated and Separate Financial Statements.

IFRS 11 - Joint Arrangements

IFRS 11 requires a venturer to classify its interest in a joint arrangement as a joint venture or joint operation. Joint ventures will be accounted for using the equity method of accounting whereas for a joint operation the venturer will recognize its share of the assets, liabilities, revenue and expenses of the joint operation. Under existing IFRS, entities have the choice to proportionately consolidate or equity account for interests in joint ventures. IFRS 11 supersedes IAS 31, Interests in Joint Ventures, and SIC-13, Jointly Controlled Entities—Non-monetary Contributions by Venturers.

IFRS 12 – Disclosure of Interests in Other Entities

IFRS 12 establishes disclosure requirements for interests in other entities, such as joint arrangements, associates, special purpose vehicles and off balance sheet vehicles. The standard carries forward existing disclosures and also introduces significant additional disclosure requirements that address the nature of, and risks associated with, an entity's interests in other entities.

IFRS 13 - Fair Value Measurement

IFRS 13 is a comprehensive standard for fair value measurement and disclosure requirements for use across all IFRS standards. The new standard clarifies that fair value is the price that would be received on the sale of an asset, or paid to transfer a liability in an orderly transaction between market participants, at the measurement date. It also establishes disclosures about fair value measurement. Under existing IFRS, guidance on measuring and disclosing fair value is dispersed among the specific standards requiring fair value measurements and in many cases does not reflect a clear measurement basis or consistent disclosures.

Amendments to Other Standards

In addition, there have been amendments to existing standards, including IAS 27, Separate Financial Statements (IAS 27), and IAS 28, Investments in Associates and Joint Ventures (IAS 28). IAS 27 addresses accounting for subsidiaries, jointly controlled entities and associates in non-consolidated financial statements. IAS 28 has been amended to include joint ventures in its scope and to address the changes in IFRS 10 – 13.

3. Summary of significant accounting policies

(a) Basis of consolidation

The condensed consolidated interim financial statements include the financial statements of the Company and its controlled subsidiaries. Control is achieved when the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the effective date of acquisition or up to the effective date of disposal, as appropriate.

All intercompany transactions, balances, income and expenses are eliminated on consolidation.

Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the Company’s equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling interests’ share of changes in equity since the date of the combination. Losses applicable to the non-controlling interests in excess of their interest in the subsidiary’s equity are allocated against the interests of the Company except to the extent that the non-controlling interests have a binding obligation and are able to make an additional investment to cover the losses.

(b) Interest income

Interest income from financial assets is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset’s net carrying amount.

(c) Foreign currencies

The Company's reporting currency is the Canadian dollar. The Company's Southeastern Europe subsidiaries' functional currencies are their local currencies, as these have been determined to be the currencies of the economic environment in which they operate.

Transactions in foreign currencies are initially recorded at the functional currency rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the date of the statement of financial position. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

Subsidiaries are translated from their functional currencies into Canadian dollars on consolidation. Items in the statement of income are translated using weighted average exchange rates that reasonably approximate the exchange rate at the transaction date. Items in the balance sheet are translated at the closing spot exchange rate. Exchange differences on the translation of the net assets of the parent company are recognized in a separate component of equity.

(d) Property, plant and equipment ("PPE")

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. The cost of an item of PPE consists of the purchase price, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use and an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

PPE items are depreciated over their estimated useful lives on a straight-line basis over 3 to 10 years.

An item of PPE is derecognized upon disposal, when held for sale or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal of the asset, determined as the difference between the net disposal proceeds and the carrying amount of the asset, is recognized in the consolidated statement of comprehensive income.

The Company conducts an annual assessment of the residual balances, useful lives and depreciation methods being used for PPE and any changes arising from the assessment are applied by the Company prospectively.

(e) Unproven mineral right interests

All acquisition costs, exploration and direct field costs are capitalized into intangible assets until the rights to which they relate are placed into production, at which time these deferred costs will be amortized over the estimated useful life of the rights upon commissioning the property, or written-off if the rights are disposed of, impaired or abandoned.

Management reviews the carrying amounts of mineral rights on a periodic basis and will recognize impairment based upon current exploration results and upon assessment of the probability of profitable exploitation of the rights. Management's assessment of the mineral right's fair value is also based upon a review of other mineral right transactions that have occurred in the same geographic area as that of the rights under review. Administration costs

and other exploration costs that do not relate to a specific mineral right are expensed as incurred.
Costs include the cash consideration and the fair value of shares issued on the acquisition of mineral rights. Rights acquired under option or joint venture agreements, whereby payments are made at the sole discretion of the Company, are recorded in the accounts when the payments are made. Proceeds from property option payments received by the Company are netted against the deferred costs of the related mineral rights, with any excess being included in operations. No option payments were received during the three months ended March 31, 2011 and 2010.

(f) Share-based payments

Employees (including directors, senior executives and consultants) of the Company receive a portion of their remuneration in the form of share-based payment transactions, whereby employees render services as consideration for equity instruments ("equity-settled transactions").

In situations where equity instruments are issued and some or all of the goods or services received by the entity as consideration cannot be specifically identified, they are measured at fair value of the share-based payment.

The costs of equity-settled transactions with employees are measured by reference to the fair value at the date on which they are granted.

The costs of equity-settled transactions are recognized, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award ("the vesting date"). The cumulative expense is recognized for equity-settled transactions at each reporting date until the vesting date reflects the Company's best estimate of the number of equity instruments that will ultimately vest. The profit or loss charge or credit for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and the corresponding amount is represented in share option reserve.

No expense is recognized for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition, which are treated as vesting irrespective of whether or not the market condition is satisfied provided that all other performance and/or service conditions are satisfied.

Where the terms of an equity-settled award are modified, the minimum expense recognized is the expense as if the terms had not been modified. An additional expense is recognized for any modification which increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee as measured at the date of modification.

The dilutive effect of outstanding options is reflected as additional dilution in the computation of earnings per share.

(g) Taxation

Income tax expense represents the sum of tax currently payable and deferred tax.

Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the date of the statement of financial position.

Deferred income tax

Deferred income tax is provided using the liability method on temporary differences at the date of the statement of financial position between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognized for all taxable temporary differences, except:

- where the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized except:

- where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred income tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred income tax assets is reviewed at each date of the statement of financial position and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Unrecognized deferred income tax assets are reassessed at each date of the statement of financial position and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the date of the statement of financial position.

Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of comprehensive income.

Deferred income tax assets and deferred income tax liabilities are offset if, and only if, a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend to either settle current tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax assets or liabilities are expected to be settled or recovered.

(h) *Loss per share*

The basic loss per share is computed by dividing the net loss by the weighted average number of common shares outstanding during the period. The diluted loss per share reflects the potential dilution of common share equivalents, such as outstanding stock options and share purchase warrants, in the weighted average number of common shares outstanding during the year, if dilutive. The “treasury stock method” is used for the assumed proceeds upon the exercise of the options and warrants that are used to purchase common shares at the average market price during the year. During the three months ended March 31, 2011 and 2010 all the outstanding stock options and warrants were anti-dilutive.

(i) *Financial assets*

All financial assets are initially recorded at fair value and designated upon inception into one of the following four categories: held to maturity, available for sale, loans and receivables or fair value through profit or loss (“FVTPL”).

Financial assets classified as FVTPL are measured at fair value with unrealized gains and losses recognized through profit and loss.

Financial assets classified as loans and receivables and held to maturity are measured at amortized cost using the effective interest method less any allowance for impairment. The effective interest method is a method of calculating the amortized cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period.

Financial assets classified as available for sale are measured at fair value with unrealized gains and losses recognized in other comprehensive income (loss) except for losses in value that are considered other than temporary or a significant or prolonged decline in the fair value of that investment below its cost.

Transaction costs associated with FVTPL financial assets are expensed as incurred, while transaction costs associated with all other financial assets are included in the initial carrying amount of the asset.

(j) *Financial liabilities*

All financial liabilities are initially recorded at fair value and designated upon inception as FVTPL or other financial liabilities.

Financial liabilities classified as other financial liabilities are initially recognized at fair value less directly attributable transaction costs. After initial recognition, other financial liabilities are subsequently measured at amortized cost using the effective interest method. The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

Financial liabilities classified as FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Derivatives, including separated embedded derivatives, are also classified as FVTPL unless they are designated as effective hedging instruments. Transaction costs on financial liabilities classified as FVTPL are expensed as incurred.

At the end of each reporting period subsequent to initial recognition, financial liabilities at FVTPL are measured at fair value, with changes in fair value recognized directly in profit or loss in the period in which they arise. The net gain or loss recognized in profit or loss excludes any interest paid on the financial liabilities.

(k) Impairment of financial assets

The Company assesses at each date of the statement of financial position whether a financial asset is impaired.

Assets carried at amortized cost

If there is objective evidence that an impairment loss on assets carried at amortized cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is then reduced by the amount of the impairment. The amount of the loss is recognized in profit or loss.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed to the extent that the carrying value of the asset does not exceed what the amortized cost would have been had the impairment not been recognized. Any subsequent reversal of an impairment loss is recognized in profit or loss.

In relation to trade receivables, a provision for impairment is made and an impairment loss is recognized in profit and loss when there is objective evidence (such as the probability of insolvency or significant financial difficulties of the debtor) that the Company will not be able to collect all of the amounts due under the original terms of the invoice. The carrying amount of the receivable is reduced through use of an allowance account. Impaired debts are written off against the allowance account when they are assessed as uncollectible.

Available for sale

If an available for sale asset is impaired, an amount comprising the difference between its cost and its current fair value, less any impairment loss previously recognized in profit or loss, is transferred from equity to profit or loss. Reversals in respect of equity instruments classified as available for sale are not recognized in profit or loss.

(l) *Impairment of non-financial assets*

At each date of the statement of financial position, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is an indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the assets belong.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the statement of comprehensive income, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years.

(m) *Cash and cash equivalents*

Cash and cash equivalents in the statement of financial position comprise cash at banks and on hand, and highly liquid investments with an original maturity of three months or less, which are readily convertible into a known amount of cash.

(n) *Provisions*

Provisions are recognized when the Company has a present obligation (legal or constructive) that has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the obligation. Any increase in a provision due solely to passage of time is recognized as interest expense.

(o) *Related party transactions*

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence, related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties. Related party transactions that are in the normal course of business and have commercial substance are measured at the exchange amount.

(p) Significant accounting judgments and estimates

The preparation of these financial statements requires management to make judgements and estimates and form assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. On an ongoing basis, management evaluates its judgements and estimates in relation to assets, liabilities and expenses. Management uses historical experience and various other factors it believes to be reasonable under the given circumstances as the basis for its judgements and estimates. Actual outcomes may differ from these estimates under different assumptions and conditions. The most significant estimates relate to capital assets, depreciation, recoverability of accounts receivable, valuation of deferred income tax amounts, impairment testing, calculation of share-based payments and the determination of environmental obligations. The most significant judgements relate to recoverability of capitalized amounts, recognition of deferred tax assets and liabilities, functional currency and the determination of the economic viability of a project.

4. Segmented information

At March 31, 2011 the Company has one reportable operating segment, being mineral exploration.

An operating segment is defined as a component of the Company:

- that engages in business activities from which it may earn revenues and incur expenses;
- whose operating results are reviewed regularly by the entity's chief operating decision maker; and
- for which discrete financial information is available.

The Company operates in four geographical areas, being Bulgaria, Serbia, Macedonia and Canada. The following is an analysis of the Company's assets by geographical area and reconciled to the Company's consolidated financial statements:

	March 31, 2011	December 31, 2010
	$	$
Assets by geographic segment, at cost		
Bulgaria		
Current assets	**708,247**	**453,259**
Restricted cash	**48,611**	**49,900**
Equipment	**125,137**	**134,088**
Unproven mineral rights	**1,820,587**	**1,669,359**
	2,702,582	**2,306,606**
Serbia		
Current assets	**39,009**	**16,073**
Equipment	**30,542**	**812**
Unproven mineral rights	**2,064,572**	**2,077,670**
	2,134,123	**2,094,555**
Macedonia		
Current assets	**67,733**	**65,397**
Equipment	**23,459**	**19,771**
Unproven mineral rights	**3,246,220**	**2,824,663**
	3,337,412	**2,909,831**
Canada		
Current assets	**8,509,237**	**1,687,524**
	8,509,237	**1,687,524**
	16,683,354	**8,998,516**

5. Loss per share

The calculation of basic and diluted loss per share for the relevant periods is based on the following data:

	Three months ended March 31,	
	2011	2010
Net loss from continuing and discontinued operations for the purpose of basic and diluted loss per share	**$ (781,255)**	$ (945,139)
Weighted average number of shares for the purpose of basic and diluted loss per share	**134,054,775**	120,062,040

All outstanding stock options and warrants were anti-dilutive for the relevant periods.

6. Unproven mineral interests

The Company is currently engaged in exploring on three properties in Bulgaria, one property in Macedonia and one property in Serbia.

(a) BULGARIA

These properties are held pursuant to an exploration licence ("Licence") issued by the government of Bulgaria. The Licences have an initial term of three years with a right to extend the term up to eight years under certain circumstances. In the event of an economic discovery on a Licence, the Company has the right to obtain a mineral concession ("Concession"). The term for a Concession is for the necessary period to extract the mineralization discovered but generally runs from 35 to 50 years.

Rakitovo

The Rakitovo Licence was granted pursuant to an agreement entered into between the Ministry of Environment and Water of Bulgaria (the "Ministry") and Martern, a Bulgarian subsidiary, dated May 28, 2004. This Licence covers an area of 33.3 square kilometres. In order to maintain this Licence in good standing, Martern completed work programs approved by the Ministry. The Rakitovo licence was extended to May 28, 2012.

Breznik

The Breznik Licence was granted pursuant to an agreement entered into between the Ministry and Martern dated May 28, 2004. This Licence covers an area of 19.1 square kilometres. In order to maintain this Licence in good standing Martern completed work programs approved by the Ministry. The Company has applied for a Commercial Discovery Certificate to transition Breznik from an exploration permit to a mining concession, which may be granted late in 2011 or in early 2012.

Trun

The Trun Licence was granted pursuant to an agreement entered into between the Ministry and Martern dated July 7, 2004. This Licence covers an area of 67 square kilometres. In order to maintain this Licence in good standing, Martern completed work programs approved by the Ministry. The Trun Licence was extended to July 12, 2011 and the Company is actively preparing all the reports necessary for a one year extension.

(b) MACEDONIA

On July 11, 2007, the Company acquired an option to earn a 100% interest in nine properties in Macedonia. Under the terms of the option agreement, the Company paid US$500,000 and issued 100,000 common shares in order to acquire this option. In order to exercise the option, the Company completed a US$1.5 million exploration program over 3 years. The vendor retains a one- time only 90 day back-in right, whereby the vendor may elect to earn a 70% interest, after the Company has completed 10,000 metres of drilling on any of the properties. In order to earn a 70% interest in any of such properties, the vendor must pay the Company an amount equal to twice the total of the Company's exploration expenditures on that property and fund the property though completion of a final feasibility study.

These properties are held pursuant to an Exploration Permit ("Permit") 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. In the event of an economic discovery on a Permit, the Company has the right to apply for a mineral concession ("Concession"). The Concession runs for an initial term of 30 years.

Ilovitza

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 acquired under a permit re-issued on February 21, 2011. The Company is actively preparing all the required reports for a mining concession application, which is required to be submitted by November 2011.

(c) SERBIA

On July 11, 2007, the Company acquired an option to earn a 100% interest in five properties in Serbia. Under the terms of the option agreement, the Company paid US$100,000 and issued 2.4 million common shares in order to acquire this option. In order to exercise the option, the Company completed a US$1.5 million exploration program over 3 years. The vendor retains a one- time only 90 day back-in right, whereby the vendor may elect to earn a 70% interest, after the Company has completed 10,000 metres of drilling on any of the properties. In order to earn a 70% interest in any of such properties, the vendor must pay the Company an amount equal to twice the total of the Company's exploration expenditures on that property, and fund the property though completion of a final feasibility study.

This option agreement was amended on June 6, 2008 to add the Karavansalija ("KMC") property by payment of US$50,000 and the issuance of 2.5 million common shares. On the KMC property the vendor retains a one-time only 90 day back-in right, whereby the vendor may elect to earn a 70% interest, after the Company has completed 20,000 metres of drilling, including 4,000 metres at the direction of the vendor on this property. In order to earn its interest in KMC, the vendor must pay the Company an amount equal to 150% of its exploration expenditures on the property and fund KMC through completion of a final feasibility study. If the vendor does not exercise this back-in right or the Company does not complete the required drilling then the party which does not fulfill its obligations will be entitled to a 1% Net Smelter Return royalty on KMC.

Exploration Permits are issued 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. In case of a discovery under the terms of an Exploration Permit, the transfer of the ownership rights to an Exploitation License are similar to mineral concessions in Bulgaria and Macedonia.

The KMC Exploration Permit was issued on July 7, 2004 and extended on an annual basis since. This Exploration Permit covers 42 square kilometres.

7. Capital and reserves

(a) Capital

At March 31, 2011, the Company's authorized share capital consisted of an unlimited number of common shares without par value. All issued common shares are fully paid.

On February 24, 2011, the Company completed a non-brokered private placement consisting of 22,500,000 units (the "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 until February 24, 2012, at an exercise price of $0.50.

The Warrants issued were valued by the Company at $1,403,972. The aggregate fair market value of the warrants and the shares issued in the private placement was distributed on a pro-rata basis between share capital and the warrants reserve.

The Company incurred cash share issue costs of $273,375 in connection with the private placement, including cash commissions of $231,000 and $42,375 of filing and legal costs.

In the quarter ended March 31, 2011, the Company received cash proceeds of $312,150 from the exercise of 1,290,000 share purchase options.

(b) Other reserves

Other reserves consist of the accumulated fair value of common share options and share purchase warrants recognized as share-based compensation.

The Company has a stock option plan under which directors, officers, consultants and employees of the Company are eligible to receive stock options. The maximum number of shares reserved for issuance upon exercise of all options granted under the plan is equal to 10% of the then issued and outstanding common shares. The Board of Directors determines the terms and provisions of the options at the time of grant. Options under the plan generally have a term of five years and, in most cases, vest one third at the date of grant, one third after six months and one third one year from the date of grant. The exercise price of each option equals the market value of the Company's common shares on the day preceding the date of grant.

During the three months ended March 31, 2011, the Company granted 700,000 stock options to officers, employees and directors at an exercise price of $0.31 with an expiry date of February 3, 2016, and 575,000 stock options to officers, employees and directors at an exercise price of $0.35 with an expiry date of March 22, 2016. In 2010, the Company granted 5,200,000 stock options to officers, employees and directors at an exercise price of $0.13 with an expiry date of November 30, 2015. The weighted average fair value of the options issued during the three months ended March 31, 2011 was estimated at $0.30 per option (2010: 0.13) at the grant date using the Black-Scholes option pricing model. The weighted average assumptions used for the calculation were:

	Three months ended March 31, 2011	Year ended December 31, 2010
Risk free interest rate	**2.20%**	2.01%
Expected life	**3.67 years**	3.70 years
Expected volatility (i)	**177.07%**	183.31%
Expected dividend per share	**$Nil**	$Nil

(i) Expected volatility has been based on historical volatility of the Company's publicly traded shares.

A share-based compensation cost of $380,999 for the options granted in the three months ended March 31, 2011 will be amortized over the vesting period, of which $162,081 was recognized in the three months ended March 31, 2011.

The total share-based compensation calculated for the three months ended March 31, 2011 was $343,316 (2010 - $55,637).

The following is a summary of option transactions under the Company's stock option plan:

	Three months ended March 31, 2011		Year ended December 31, 2010	
	Number of options	**Weighted average exercise price**	Number of options	Weighted average exercise price
		$		$
Balance, beginning of period	**10,683,228**	**0.28**	7,812,268	0.40
Options granted	**1,275,000**	**0.33**	5,200,000	0.13
Options exercised	**(1,290,000)**	**0.24**	(198,403)	0.21
Options expired	**-**	**-**	(515,770)	0.33
Options forfeited	**(1,290,000)**	**0.58**	(1,614,867)	0.37
Balance, end of period	**9,378,228**	**0.25**	10,683,228	0.28

The following table summarizes information about stock options outstanding and exercisable at March 31, 2011:

	Options outstanding			Options exercisable		
Exercise price	Options outstanding	Weighted average exercise price	Weighted average remaining contractual life (years)	Options outstanding and exercisable	Weighted average exercise price	Weighted average remaining contractual life (years)
$		$			$	
0.13-0.17	5,200,000	0.13	4.67	1,828,000	0.13	4.67
0.18-0.31	1,757,920	0.25	3.83	1,277,925	0.23	3.47
0.32-0.51	1,140,105	0.36	2.98	756,772	0.37	1.97
0.52-0.72	1,280,203	0.63	0.56	1,280,203	0.63	0.56
	9,378,228	0.25	3.75	5,142,900	0.31	2.94

During the three months ended March 31, 2011, the Company granted 11,250,000 (2010 - nil) warrants at an exercise price of $0.50 with an expiry date of February 24, 2012. The fair value of the warrants issued during the three months ended March 31, 2011 was estimated at $0.12 per warrant at the grant date using the Black-Scholes option pricing model. The weighted average assumptions used for the calculation were:

	Three months ended March 31, 2011
Risk free interest rate	**1.69**
Expected life	**1 year**
Expected volatility (i)	**114.66%**
Expected dividend per share	**$Nil**

(i) Expected volatility has been based on historical volatility of the Company's publicly traded shares.

Number of warrants outstanding as at January 1, 2011	Issued during the year	Number of warrants expired/ exercised during the year	Balance of warrants outstanding as at March 31, 2011	Exercise price per warrant $	Expiry date
3,154,900	-	-	3,154,900	0.13	May 25, 2012
-	11,250,000	-	11,250,000	0.50	February 24, 2012
3,154,900	11,250,000	-	14,404,900		

The exercise price of the 3,154,900 warrants expiring on May 25, 2012 increases to $0.16 per share on May 26, 2011.

8. Related party transactions

Unless otherwise stated, related party transactions are measured at the exchange amount, being the amount of consideration established and agreed to by the related parties. Amounts due to or from related parties are unsecured, non-interest bearing and are due on demand.

There were no related party transactions during the periods ended March 31, 2011 and 2010.

9. Supplemental cash flow information

(a) Non-cash financing activities

In the three months ended March 31, 2011 and 2010, the Company incurred the following non-cash financing transactions:

	Three months ended March 31,	
	2011	2010
	$	$
Transfer of contributed surplus upon exercise of stock options	**269,700**	-

(b) Cash payments for interest and taxes

In the three months ended March 31, 2011 and 2010, the Company did not make any cash payments for interest and income taxes:

10. Approval of the financial statements

The interim consolidated financial statements of EurOmax Resources Ltd. for the three months ended March 31, 2011 were approved and authorized for issue by the Board of Directors on June 24, 2011.

11. First time adoption of IFRS

The Company has adopted IFRS on January 1, 2010 with a transition date of January 1, 2010.

Under IFRS 1, *First Time Adoption of International Financial Reporting Standards*, the IFRS are applied retrospectively at the transition date with all adjustments to assets and liabilities as stated under Canadian GAAP taken to retained earnings unless certain exemptions are applied. The Company elected to take the following IFRS 1 optional exemptions:

- Not to restate previous business combinations and the accounting thereof;

- Reset the cumulative translation difference reserve for all foreign operations to zero at the date of transition to IFRS.

- Share-based payments – IFRS 2 Share-based payments encourages application of its provisions to equity instruments granted on or before November 7, 2002, but permits the application only to equity instruments granted after November 7, 2002 that had not vested by the transition date. The Company has chosen to apply the exemption under IFRS 1 and applied IFRS 2 for all outstanding equity instruments granted after November 7, 2002 that had not vested by the transition date,

The following paragraphs explain the significant differences between Canadian GAAP and the current IFRS accounting policies applied by the Company. These differences result in the adjustments presented in the preceding tables.

Note 1 Under Canadian GAAP, the Company and all of its subsidiaries had a Canadian dollar measurement currency. Under IFRS, the functional currency of the parent company is the Canadian dollar, functional currencies of the subsidiaries are the Bulgarian Lev, Macedonian denar and Serbian dinar, and the Company's presentation currency is the Canadian dollar. The assets and liabilities of all entities where the functional currency is different from the presentation currency are translated for presentation purposes at the date of the statement of financial position, and equity accounts are translated at historical rates, resulting in an adjustment on transition to IFRS and a cumulative translation adjustment on each statement of financial position date. The cumulative translation adjustment was reset to zero, against deficit, on the date of transition to IFRS.

Note 2 Under Canadian GAAP, the Company recorded stock based compensation on a straight-line basis over the vesting period. Under IFRS, the Company records share based compensation for each tranche within an award over the vesting period of the corresponding tranche.

Reconciliations of statements of financial position

Reconciliations between the Canadian GAAP and IFRS consolidated statements of financial position at January 1, 2010 (date of transition to IFRS), March 31, 2010 and December 31, 2010 are provided below:

	Note	January 1, 2010 (Canadian GAAP)	Transition Impact	January 1, 2010 (IFRS)
		$	$	$
Assets				
Current assets				
Cash and cash equivalents		8,234,111	-	8,234,111
Amounts receivable, prepaids and deposits		689,580	-	689,580
		8,923,691	-	8,923,691
Available-for-sale financial asset		475,190	-	475,190
Restricted cash		47,223	-	47,223
Equipment	1	213,210	(86)	213,124
Unproven mineral right interests	1	7,026,995	(50,079)	6,976,916
		16,686,309	(50,165)	16,636,144
Liabilities				
Current liabilities				
Accounts payable and accrued liabilities		295,349	-	295,349
		295,349	-	295,349
Shareholders' equity				
Share capital		33,101,084	-	33,101,084
Other reserves		2,510,310	-	2,510,310
Accumulated other comprehensive income		156,352	-	156,352
Deficit, accumulated during the exploration stage	1	(19,376,786)	(50,165)	(19,426,951)
		16,390,960	(50,165)	16,340,795
		16,686,309	(50,165)	16,636,144

	Note	March 31, 2010 (Canadian GAAP)	Transition Impact	March 31, 2010 (IFRS)
		$	$	$
Assets				
Current assets				
Cash and cash equivalents		6,625,692	-	6,625,692
Amounts receivable, prepaids and deposits		790,548	-	790,548
		7,416,240	-	7,416,240
Available-for-sale financial asset		415,747	-	415,747
Restricted cash		45,864	-	45,864
Equipment	1	187,940	(244)	187,696
Unproven mineral right interests (Schedule)	1	7,484,119	(280,337)	7,203,782
		15,549,910	(280,581)	15,269,329
Liabilities				
Current liabilities				
Accounts payable and accrued liabilities		251,513	-	251,513
		251,513	-	251,513
Shareholders' equity				
Share capital		33,101,084	-	33,101,084
Other reserves		2,679,443	(113,496)	2,565,947
Accumulated other comprehensive income	1	106,231	(383,356)	(277,125)
Deficit, accumulated during the exploration stage	1,2	(20,588,361)	216,271	(20,372,090)
		15,298,397	(280,581)	15,017,816
		15,549,910	(280,581)	15,269,329

	Note	December 31, 2010 (Canadian GAAP)	Transition Impact	December 31, 2010 (IFRS)
		$	$	$
Assets				
Current assets				
Cash and cash equivalents		1,252,773	-	1,252,773
Amounts receivable, prepaids and deposits		969,480	-	969,480
		2,222,253	-	2,222,253
Available-for-sale financial asset		-	-	-
Restricted cash		49,900	-	49,900
Equipment	1	173,714	(19,043)	154,671
Unproven mineral right interests	1	6,864,961	(293,269)	6,571,692
		9,310,828	(312,312)	8,998,516
Liabilities				
Current liabilities				
Accounts payable and accrued liabilities		248,780	-	248,780
		248,780	-	248,780
Shareholders' equity				
Share capital		34,061,257	-	34,061,257
Other reserves	2	2,885,791	(181,511)	2,704,280
Accumulated other comprehensive income	1	-	(436,784)	(436,784)
Deficit, accumulated during the exploration stage	1,2,	(27,885,000)	305,983	(27,579,017)
		9,062,048	(312,312)	8,749,736
		9,310,828	(312,312)	8,998,516

Reconciliations of total comprehensive income

Reconciliations between the Canadian GAAP and IFRS total comprehensive income for the period ended March 31, 2010 and year ended December 31, 2010 are provided below.

Quarter ended March 31, 2010:

	Note	**Canadian GAAP**	**Transition Impact**	**IFRS**
		$	$	$
Expenses				
Depreciation of equipment		20,832	-	20,832
Foreign exchange loss	1	279,642	(152,940)	126,702
General exploration		65,583	-	65,583
Share-based compensation expense	2	169,133	(113,496)	55,637
Shareholder meeting		-	-	-
Other expenses		4,428	-	4,428
General and administrative expenses		674,649	-	674,649
		1,214,267	(266,436)	947,831
Loss before other items		(1,214,267)	266,436	(947,831)
Other items				-
Investment loss		-	-	-
Other income		2,692	-	2,692
Net loss		(1,211,575)	266,436	(945,139)
Other Comprehensive Loss				
Loss on available-for sale financial asset		(50,131)	-	(50,131)
Cumulative translation adjustment	1	-	(383,356)	(383,356)
		(50,131)	(383,356)	(433,487)
Comprehensive Loss		(1,261,706)	(116,920)	(1,378,626)

Year ended December 31, 2010:

	Note	Canadian GAAP	Transition Impact	IFRS
		$	$	$
Expenses				
Depreciation of equipment		80,422	-	80,422
Foreign exchange loss	1	356,436	(104,077)	252,359
General exploration		97,343	-	97,343
Share-based compensation expense	2	524,440	(181,511)	342,929
Shareholder meeting		1,847,434	-	1,847,434
Write-down of unproven mineral right interests		3,520,765	(70,560)	3,450,205
Other expenses		4,513	-	4,513
General and administrative expenses		1,946,960	-	1,946,960
		8,378,313	(356,148)	8,022,165
Loss before other items		(8,378,313)	356,148	(8,022,165)
Other items				-
Investment loss		(146,688)	-	(146,688)
Other income		16,787	-	16,787
Net loss		(8,508,214)	356,148	(8,152,066)
Other Comprehensive Loss				
Loss on available-for sale financial asset		(156,352)	-	(156,352)
Cumulative translation adjustment		-	(262,147)	(262,147)
		(156,352)	(262,147)	(418,499)
Comprehensive Loss		(8,664,566)	94,001	(8,570,565)

Statement of cash flows

The IFRS transition adjustments noted above did not have an impact on cash and cash equivalents. There was no change to investing and financing cash flow sub-totals.