EurOmax Resources Ltd.

Management Discussion and Analysis
Quarter ended March 31, 2011

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 June 24, 2011 and should be read in conjunction with the Company's unaudited condensed consolidated interim financial statements for the quarter ended March 31, 2011 ("Q1-2011") and the audited consolidated financial statements and related notes for the year ended December 31, 2010.

We note that the Company's financial statements are reported under International Financial Reporting Standards ("IFRS") for the first time this quarter. The effects of the Company's conversion from Canadian Generally Accepted Accounting Principles ("Canadian GAAP") to IFRS have been identified in Note 15 of the Company's March 31, 2011 unaudited condensed consolidated interim financial statements and in this MD&A.

Some of the statements in this MD&A are forward-looking statements that are subject to risk factors set out in the cautionary note contained herein.

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 mineral 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 with significant potential, EurOmax intends to carry these high potential projects to an advanced exploration stage. 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.

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.

The Company's exploration strategy can be summarized as follows:

- Utilize local expertise and technical excellence to identify and secure potentially significant gold and/or copper prospects in Southeastern Europe (Balkans, Romania, Hungary, Greece, and Turkey).

- Explore for gold and/or copper properties in Southeastern Europe which consist of sufficient technical work (including geophysical and drilling programs) to evaluate the properties for potentially significant resource potential.

- Prepare National Instrument 43-101 ("NI 43-101) reports on the Company's properties, once the technical work has identified a significant resource.
- Secure Mining Concessions on projects with demonstrable resource upside.
- Develop a reputation for identifying and exploring high-quality properties.
- Seek purchasers for properties that do not fit the Company's corporate strategy.

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

The Company has a technical advisory board comprised of Dr. Roger Moss, Dr. Quinton Hennigh and Mr. William P. Armstrong, P. Eng.

2011 HIGHLIGHTS

In February 2011, EurOmax completed a private placement for gross proceeds of $7,875,000. The proceeds from this financing are enabling the Company to pursue a comprehensive exploration program, focusing on four projects. The key aspects of the 2011 exploration program are outlined below.

Trun Gold Project – Bulgaria: The program consists of drilling and geophysical surveys. Approximately 4,000 meters of diamond core drill holes will test extensions of the Logo resource and the K2 zone along with at least six untested gold in soil anomalies. The first drill holes target the north and northeasterly extensions of the NI 43-101 Logo resource and three untested gold targets within the northern Big Hill intrusion. Geophysical surveys include magnetics and induced polarization-resistivity over the southern Little Hill intrusion. Results from the surveys are expected in late Q3 and early Q42011. Results from the first series of holes from the 2011 drill program were released on June 14, 2011 and are included under *Exploration Projects* in this MD&A.

Ilovitza Copper-Gold Porphyry Project – Macedonia: The Company is undertaking a 4,000 meter diamond drill program with the objective of increasing confidence level in the quality and consistency of the current resource and step-out where the system remains open to the northwest, northeast and east. Results from the first two drill holes from the 2011 drill program were released on May 26, 2011 and are included under *Exploration Projects* in this MD&A.

Karavansalija Mineralized Complex ("KMC") Copper-Gold Project – Serbia: An extensive geophysical progam, including 100 km of induced polarization-resistivity lines and magnetics and gravity surveys is planned for Q3-2011. The objectives of the surveys are to identify a potential buried intrusion that may be the source for widely occurring mineralized zones in the project, as well as to identify additional skarns and breccias drill targets. In addition, a 2,500 meter diamond drill program is planned for late Q3 and Q4-2011 to test new anomalies and extensions of well-known mineralized zones on the property.

Breznik Gold-Silver Project – Bulgaria: The Company has recently completed induced polarization-resistivity and magnetics surveys over certain areas of the property.. Evidence suggests a shallowly buried intrusion may lie under cover to the southeast of the vein system which has been the main exploration focus on the property to date. 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.

RESULTS OF OPERATIONS

The Company recorded a net loss of $781,250 or $nil per share in Q1-2011, compared to a net loss of $945,139 or $0.01 per share in the quarter ended March 31, 2010 ("Q1-2010").

The Company's most significant expense category was general and administrative expenses of $429,414, compared to $674,649 in Q1-2010. Major general and administrative expenses in Q1-2011 include: salaries, management fees and consulting fees of $246,376, shareholder communication expense/investor relations of $64,083, travel expense of $26,045 and regulatory/transfer agent fees of $11,657, amongst others. The Company does not capitalize general and administrative expenses.

During Q1-2011, the Company paid or accrued salaries, management fees, consulting fees and directors fees in the amount of $129,400 (Q1-2010: $340,026, which included severance payment to the Company's former Chief Executive Officer) to directors and officers, or companies controlled by directors and officers. Of these amounts $10,000 (Q1-2010 -$nil) is included in accounts payable and accrued liabilities at March 31, 2011. Salaries and management 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 Q1-2010, the Company incurred $65,583 in general exploration expenses. General exploration expenses were not incurred in Q1-2011 as the Company focused its resources primarily on existing properties.

In Q1-2011, the Company incurred depreciation costs of $19,533 compared to $20,832 in Q1-2010.

The Company recorded a foreign exchange gain of $9,653 in Q1-2011, compared to a foreign exchange loss of $126,702 in Q1-2010. In Q1-2010, 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 Q1-2011, the Company recorded stock-based compensation expense of $343,316, compared to $55,637 in Q1-2010, in connection with a higher number of options granted in the current quarter.

In Q1-2011, the Company recorded other comprehensive income of $182,484 for cumulative translation adjustment (Q1-2010: loss of $383,356). In Q1-2010 the Company also incurred a loss on the fair value adjustment of a former available-for-sale financial asset of $50,131.

SUMMARY OF QUARTERLY FINANCIAL RESULTS

(expressed in thousands of dollars except per share amounts)

	Quarters Ended			
	March 31, 2011 (IFRS)	**December 31, 2010 (Canadian GAAP)**	**September 30, 2010 (Canadian GAAP)**	**June 30, 2010 (Canadian GAAP)**
Net loss	(783)	(1,072)	(5,782)	(442)
Loss Per Share	-	(0.05)	-	-
	March 31, 2010 (IFRS)	**December 31, 2009 (Canadian GAAP)**	**September 30, 2009 (Canadian GAAP)**	**June 30, 2009 (Canadian GAAP)**
Net Earnings (Loss)	(945)	(1,883)	2,557	40
Earnings (Loss) Per Share	(0.01)	(0.02)	0.02	-

EXPLORATION PROJECTS

Trun Project, Bulgaria

The Trun project located in Bulgaria was acquired under a permit issued by the government of Bulgaria on July 12, 2004. The exploration permit formally expires on July 12, 2011 and the Company is actively preparing all the reports necessary for a one year extension. The project covers an area of 67.5 square kilometers. The Company owns 100% of this project.

On June 14, 2011, the Company announced the results from the first series of holes from the 2011 drill program. Results include 87 meters at 2.14 grams per tonne gold (285 feet at 0.063 oz per ton gold) in diamond drill hole MTC1174, the first hole to test the Ruy target, a 600 x 400 meter gold-in-soil anomaly.

- At the Ruy Target, diamond drill hole MTC1174, drilled at an azimuth of 285 degrees true north and a -70 degree inclination, encountered 87 meters at 2.14 grams per tonne gold (285 feet at 0.063 oz per ton gold) including 21 meters at 4.78 grams per tonne gold (69 feet at 0.14 oz per ton gold) in a broad quartz stockwork zone in granite. Further drilling is planned to evaluate this zone and its geometry.

- Trench 11117, oriented east-west, exposed a 69 meter wide zone of quartz stockwork grading 0.99 grams per tonne gold (226 feet at 0.029 oz per ton gold) approximately 120 meters north of the historic KD open pit. This result is highly encouraging and indicates drill testing is needed to evaluate the potential for bulk, disseminated mineralization in this area.

- Diamond drill hole MTC1177, drilled at an azimuth of 90 degrees true north and a -55 degree inclination, tested the northern extension of the historic Zlata deposit. This hole encountered 19.6 meters at 1.69 grams per tonne gold (64.3 feet at 0.049 oz per ton gold) near surface. Although the true width of this zone cannot be determined from this one hole, the nature of this intercept suggests further drilling is warranted to test for bulk, disseminated mineralization in this area.

- Two of four holes successfully tested the Yamkite target, a structural zone paralleling the Zlata deposit. Diamond drill hole MTC1169 intersected 10 meters at 1.23 grams per tonne gold (33 feet at 0.036 oz per ton gold) and 2hole MTC1173 intersected 5.2 meters at 1.72 grams gold per tonne (17 feet at 0.05 oz per ton gold). Appreciable silver and lead accompany the gold intercept in MTC1173.

- Results are pending for diamond drill hole MTC1176 which tested the Nadejda structural zone. Visible gold was observed in the core.

- Diamond drill hole MTC1178, testing the Tumba stockwork zone, has recently been completed.

- Additional drilling will test extensions of the Logo resource and K2 zone once testing of the six new targets is complete. EurOmax intends to conduct additional drilling to follow up on significant mineralization encountered in this first phase of the program.

- Diamond drill hole MTC1175, testing the NE Ruy target encountered anomalous gold to 90 parts per billion. Hole MTC1170, testing the Big Hill South target, encountered no significant mineralization.

Summary of Trun Drill and Trench Results:

	From (m)	To (m)	Length (m)	Gold (grams per tonne)	Silver (grams per tonne)	Pb (%)	Length (feet)	Gold (oz per ton)	Silver (oz per ton)
Ruy Target									
Hole MTC1174	**2.0**	**89.0**	**87.0**	**2.14**	**NA**	**NA**	**285.4**	**0.062**	**NA**
including	**15.0**	**36.0**	**21.0**	**4.78**	**NA**	**NA**	**68.9**	**0.140**	**NA**
Ruy NE Target									
Hole MTC1175	*anomalous gold*								
Zlata Zone									
Hole MTC1177	50.9	70.5	19.6	1.69	NA	NA	64.3	0.049	NA
including	50.9	54.6	3.7	6.18	NA	NA	12.1	0.180	NA
Yamkite Target									
Hole MTC1169	117.0	127.0	10.0	1.23	NA	NA	32.8	0.036	NA
Hole MTC1171	*encountered historic workings*								
Hole MTC1172	*failed to reach target*								
Hole MTC1173	145.8	151.0	5.2	1.72	13.67	5.18	17.1	0.050	0.399
including	145.8	146.5	0.7	9.49	69.00	31.20	2.3	0.277	2.015
Big Hill South									
Hole MTC1170	*no significant results*								
KD Zone									
Trench 11117	**36.0**	**105.0**	**69.0**	**0.99**	**2.50**	**NA**	**226.3**	**0.029**	**0.073**
including	**80.0**	**105.0**	**25.0**	**2.16**	**1.60**	**NA**	**82.0**	**0.063**	**0.047**
Nadejda Target									
Hole MTC1176	*awaiting assays - visible gold observed in core*								
Tumba Target									
Hole MTC1178	*Recently completed*								

Weighted averages were used to calculate all reported intervals.

On February 8, 2011, 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.

Ilovitza Project, Macedonia

At Ilovitza in Southeastern Macedonia, EurOmax is exploring a copper-gold-porphyry system over a concession area of approximately five square kilometers. The Ilovitza Project is easily accessible by paved road, is near a rail line and just 75 km from a port facility.

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.

The Company has an option on this project from an international mining company and this project is subject to certain back-in rights with this mining company depending upon meeting a specific drilling commitment.

Results for the first two holes of the 2011 diamond drill program were announced on May 26, 2011. Both holes intersected long intervals of copper-gold mineralization including 449 meters at 0.18% copper and 0.35 grams per tonne gold in hole EOIC-1121 and 369 meters at 0.22% copper and 0.33 grams per tonne gold in hole EOIC-1122. Hole EOIC-1121 also intersected significant silver mineralization, the aforementioned 449 meter interval grading 9.87 grams per tonne silver.

Summary of results:

- Hole EOIC-1121 is the northwestern-most hole drilled on the project to date (see map) and intersected 449 meters at 0.18% copper, 0.35 grams per tonne gold and 9.87 grams per tonne silver including 150 meters at 0.30% copper, 0.74 grams per tonne gold and 26.87 grams per tonne silver. Silver assays in this hole are by far the highest grade yet encountered on the property.

- Hole EOIC-1122 is centrally located within the porphyry complex and fills a large gap with no previous drilling. This hole encountered 369 meters at 0.22% copper and 0.33 grams per tonne gold.

Additional holes to be drilled in the 4,000 meter, 2011 diamond drill program will step-out to the east and north as well as provide additional infill data. The area underlain by copper-gold mineralization measures approximately 1 km north-south and 700 meters east-west.

Summary of Drill Results from Ilovitza

					Uncut			Uncut	Cut	
Hole	**From (m)**	**To (m)**	**Length (m)**	**Copper (%)**	**Gold (grams per tonne)**	**Copper eq (%)**	**Gold eq (grams per tonne)**	**Silver (grams per tonne)**	**Gold (grams per tonne)**	**Silver (grams per tonne)**
EOIC-1121	12.0	579.1	567.1	0.16	0.30	0.33	0.57	7.91	0.21	3.80
including	116.0	565.0	449.0	0.18	0.35	0.38	0.66	9.87	0.24	4.55
including	367.0	517.0	150.0	0.30	0.74	0.73	1.25	26.87	0.42	11.26
EOIC-1122	10.0	433.0	423.0	0.19	0.34	0.39	0.67	N/A	-	-
including	64.0	433.0	369.0	0.22	0.33	0.41	0.71	N/A	-	-

Weighted averages were used to calculate all reported intervals. Gold grades were cut to 6 grams per tonne and silver grades to 60 grams per tonne.

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 NI 43-101, supervised the preparation of the technical information for Ilovitza.

KMC Project, Serbia

The KMC project located in southern Serbia was acquired in 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 42 square kilometre alteration zone and two mineralized centres. Drilling on the property in prior years 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.

This project is subject to certain back-in rights from an international mining company depending upon meeting a specific drilling commitment.

Breznik Property, Bulgaria
The Breznik project located in Bulgaria was acquired in 2004. The Breznik permit was issued on May 28, 2004 and a filing for a "Commercial Discovery" has been made. Upon approval from the Bulgarian regulatory authorities, the Company anticipates receiving a Commercial Discovery Certificate based on this filing and then a formal mining concession later in 2011 or early 2012. 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.

The Company owns 100% of this project.

On March 29, 2011, 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.

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

- 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.

Rakitovo Project, Bulgaria

The Rakitovo project located in Bulgaria was acquired in 2004. The Rakitovo permit was issued on May 28, 2004 and a one year extension was recently filed, which extends the permit to May 28, 2012. The 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 initial mineralization identified by drilling and surface exploration at Rakitovo has arsenic which may make commercial extraction problematic. The Company owns 100% of this project.

LIQUIDITY AND CAPITAL RESOURCES

At March 31, 2011, the Company had working capital of $9,048,928, compared to $1,973,473 at December 31, 2010, including a cash balance of $8,020,413 (December 31, 2010: $1,252,773).

Accounts receivable and prepaid expenses increased to $1,303,813 at March 31, 2011, compared to $969,480 at December 31, 2010. The increase is due mostly to higher exploration expense advances to the international mining company that controls the Ilovitza project and higher VAT receivable in Bulgaria, as a result of the increased exploration activity. It is customary for VAT refunds in Bulgaria to take several quarters to recover.

Accounts payable and accrued liabilities were $275,298 at March 31, 2011, compared to $248,780 at the end of 2010.

Exploration activity in the Company's projects in Southeastern Europe and general and administrative overheads have been funded by cash at hand. On February 24, 2011, EurOmax completed a non-brokered private placement consisting of 22,500,000 units (the "Units"), 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 EurOmax 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.

This financing is allowing the Company to fund operations and advance its projects in the Region at least through 2011.

The Company is in the exploration stage and has no source of operating cash flow. The Company's ability to continue operations is contingent on its ability to obtain additional financings.

Operating Activities

Cash used in operations during Q1-2011, including the changes in non-cash working capital items, was $726,221 (Q1-2010: $1,013,474).

Financing Activities

Cash received from financing activities in Q1-2010 included $7,601,625 from the February 2011 private placement described above and $312,150 from the exercise of 1,290,000 share purchase options. There were no cash flows from financing activities in Q1-2010.

Investing Activities

The Company used cash of $625,094 in investing activities in Q1-2011 (Q1-2010: $457,126), for increases to unproven mineral rights and purchases of equipment. Cash of $1,289 (Q1-2-1-: $1,359) was used for increases in restricted cash deposits. A summary of changes to the Company's unproven mineral rights in Q1-2011 is presented below.

	Bulgaria			Macedonia	Serbia	
	Trun	Breznik	Rakitovo	Ilovitza	KMC	Total
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

IFRS IMPLEMENTATION PLAN

Effective January 1, 2011, Canadian publicly traded entities were required to prepare their financial statements in accordance with IFRS. Due to the requirement to present comparative financial information, the effective transition date was January 1, 2010. The three months dated March 31, 2011 were the Company's first reporting period under IFRS.

The Company has completed its IFRS conversion project through implementation. Post-implementation will continue in the following quarters of 2011.

As a result of the policy choices selected and the changes the Company was required to make under IFRS an increase to equity of approximately $50,000 was recorded as at January 1, 2010.

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 statements of financial position and comprehensive income presented below.

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 current rate method is required to be applied to all entities where the functional currency is different from the presentation currency, 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 the 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		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)	181,799
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)	3,520,765
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 not change to investing and financing cash flow sub-totals.

INTERNAL CONTROLS OVER FINANCIAL REPORTING

Management is responsible for establishing and maintaining adequate internal control over financial reporting. Any system of internal control over financial reporting, no matter how well designed, has inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation. Other than changes related to our IFRS transition plan, there have been no changes in our internal control over financial reporting during the quarter ended March 31, 2011 that have materially affected, or are reasonably likely to materially affect, 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 June 24, 2011, the Company had outstanding 147,900,442 common shares, 14,404,900 share purchase warrants with exercise prices ranging from $0.16 to $0.50 per share and 9,907,118 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.