Euromax Resources Ltd.

Management's Discussion and Analysis for the Nine months ended September 30, 2012

INTRODUCTION

The following Management's Discussion and Analysis ("MD&A") of Euromax Resources Ltd. ("Euromax") and its subsidiaries (collectively, the "Company") is prepared as of November 8, 2012 and should be read in conjunction with the Company's unaudited condensed consolidated interim financial statements and related notes for the nine months ended September 30, 2012 ("YTD-2012") and the audited consolidated financial statements and related notes for the year ended December 31, 2011 ("fiscal 2011").

The Company's financial statements are reported under International Financial Reporting Standards ("IFRS").

The Company's reporting currency is the Canadian dollar and all figures in this MD&A are in Canadian dollars unless otherwise indicated.

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.

Euromax's common shares are listed on the TSX Venture Exchange under the trading symbol "EOX" and on the OTCQX Stock Exchange in the United States under the trading symbol "EOXFF" and currently as "EOXFD".

CORPORATE VISION AND VALUES

Corporate Vision

Euromax is a gold exploration and development Company with three projects in south-eastern Europe (the "Region"), and the objective of becoming a world-class player in the European gold sector.

Values

Our core values govern our corporate behaviour and actions.

- Ethics – we only follow business practices that are open, transparent and honest.
- Accountability – we do what we say we will do, and we respect the relationships we build with employees, communities, governments and shareholders.
- Success – we plan and execute operational and strategic activities for the long-term benefit of the Company's shareholders.

The Company's primary attention is the development of its Ilovitza copper-gold project in Macedonia. The Company recently completed a Preliminary Economic Assessment ("PEA") and received formal approval for Ilovitza's Environmental Impact Study ("EIS"). The Company is building upon the work undertaken to date in advancing Ilovitza towards a Pre-Feasibility study ("PFS").

The Company has completed the 2012 drilling program at its Trun gold project in Bulgaria and has submitted a Commercial Discovery Certificate ("CDC") application for the property which initiates the EIS and Public Consultation processes for the project.

The Company is completing a drilling program at its Karavansalija Mineralized Centre ("KMC") project in Serbia.

CORPORATE VISION AND VALUES - Continued

The Company is developing its projects combining top international and local geological expertise. As one of the first international mineral exploration companies in the Region, Euromax's local knowledge offers the potential to identify and acquire other potentially attractive exploration projects in south-eastern 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 systematic exploration for mineral resources, they have more developed economic, legal and political climates than other developing regions of the world.

In January 2012, Euromax completed a private placement for gross proceeds of $3,806,000 and in June 2012 a private placement for gross proceeds of $6,300,100 was also completed. The proceeds from these financings are enabling the Company to continue the comprehensive exploration programs initiated in 2011. The Company's shareholders elected a new board of directors in May 2012 and a new management team with substantial mining development and financing experience was immediately appointed. The Company has established a new London corporate office and is assessing both the move of the Company to the senior board of the Toronto Stock Exchange and a listing on the London Stock Exchange.

EXPLORATION PROJECTS AND QUARTER ENDED SEPTEMBER 30, 2012 ACTIVITIES

Exploration during the quarter ended September 30, 2012 ("Q3-2012") took place on two of the Company's projects (Ilovitza and KMC) and in the new Babyak prospect. A total of 10,295.4 metres in 25 holes were drilled during the quarter. A summary of the holes completed is provided below:

Project	Hole ID	Length	Azimuth	dip	Completed
Ilovitza	IC-1232	436.1	0	-90	5-Jul-12
Ilovitza	IC-1233	401.4	0	-90	2-Jul-12
Ilovitza	IC-1234	542.3	0	-90	22-Jul-12
Ilovitza	IC-1235	455.0	0	-90	23-Jul-12
Ilovitza	IC-1236	429.5	0	-90	26-Jul-12
KMC	EOKSC1250	467.4	49	-50	31-Jul-12
Ilovitza	IC-1239	410.8	0	-90	12-Aug-12
Ilovitza	IC-1238	411.7	0	-90	15-Aug-12
Ilovitza	IC-1240	387.4	0	-90	15-Aug-12
Ilovitza	IC-1241	401.3	0	-90	27-Aug-12
Ilovitza	IC-1243	404.9	0	-90	29-Aug-12
Ilovitza	IC-1242	452.3	0	-90	30-Aug-12
KMC	EOKSC1251	910.5	0	-90	31-Aug-12
KMC	EOKSC1252	773.8	0	-90	31-Aug-12
KMC	EOKSC1254	230.2	90	-60	9-Sep-12
Ilovitza	IC-1245	400.6	0	-90	9-Sep-12
Ilovitza	IC-1244	436.9	0	-90	15-Sep-12
Ilovitza	IC-1246	403.3	0	-90	16-Sep-12
KMC	EOKSC1253	588.1	0	-90	16-Sep-12
KMC	EOKSC1255	302.5	160	-55	17-Sep-12
Ilovitza	IC-1247	401.7	0	-90	23-Sep-12
Babyak	BC1201	123.2	165	-60	24-Sep-12
Ilovitza	IC-1249	401.0	0	-90	28-Sep-12
Ilovitza	IC-1248	324.5	0	-90	29-Sep-12
KMC	EOKSC1257	518.1	340	-65	29-Sep-12

Ilovitza copper-gold Project, Macedonia

At Ilovitza in south-eastern Macedonia, Euromax is exploring a copper-gold-porphyry system over a concession area of approximately five km^2 consisting of 2 permits: Ilovitza 11 (formerly known as Ilovitza 4) and Ilovitza 6. The Ilovitza 11 permit was re-issued for four years on February 21, 2011 and the Ilovitza 6 permit was extended until May 31, 2011. In November 2011, Euromax, through a Macedonian wholly owned subsidiary, filed all the documents required to apply for an Exploitation Concession on Ilovitza 6 (*see news release dated November 29, 2011*). During the quarter, the Government of Macedonia granted to the Company an Exploitation Concession for the exploitation of mineral resources at Ilovitza 6. The Exploitation Concession was granted under the rules and regulations of the Law of Mineral Raw Materials in Macedonia, has an initial term of 30 years and is subject to royalties of 2% of the market value of metal contained in concentrate (*see news release dated July 24, 2012).*

The Company had an option on this project from a major international mining company, subject to certain back-in rights, upon meeting a 10,000 metre drilling commitment which was completed in Q4-2011. During Q1-2012, (*see news release dated January 25, 2012*) the optioner declined to exercise its back-in rights. Euromax, through a wholly owned subsidiary, owns a 100% interest in the property.

During Q3-2012, the Company continued with its 8,000 metre infill drill program at Ilovitza aimed at upgrading more of the existing resource estimate into the measured and indicated categories. A total of 6,381.6 metres were drilled in 17 holes.

The existing mineral resources for Ilovitza, estimated by Moose Mountain Technical Services ("MMTS") and reported in a NI 43-101 technical report dated February 15, 2012 and filed on SEDAR, are as follows:

Summary of the Ilovitza Pit Delineated Resource at Expected Economic Cutoff Grades

						Contained Metal		
	Classification	Resource (Tonnes)	In Situ Grades Cu (%)	Au (gpt)	Mo(%)	Copper (lbs) x million	Gold (oz) x 1000	Molybdenum (lbs) x million
Sulfide/Mixed*	Indicated	22,236,000	0.228	0.314	0.0034	111.54	224.0	1.667
	Inferred	374,143,000	0.211	0.319	0.0035	1743.10	3841.0	28.756
Oxide**	Indicated	1,888,000	na	0.345	na	na	21.0	na
	Inferred	33,369,000	na	0.337	na	na	361.0	na

** At a 0.25% copper equivalent cutoff grade*

*** At a 0.25gpt gold cutoff grade*

Subsequent to September 30, 2012, the Company announced preliminary results of a PEA led by Tetra Tech (*see news release dated October 24, 2012*). Results of the PEA, which are based on the MMTS resource estimate, indicate a net present value of US$ 352 million at a 5% discount rate based on a 12 million tonne per annum throughput. Annual metal production is estimated at 133,000 oz gold and 24,000 tonnes copper at operating cash costs estimated at US$600/oz to US$650/oz on a gold equivalent basis.

Also subsequent to September 30, 2012, the Ilovitza EIS was formally approved under Macedonian law (*see news release dated October 24, 2012*).

The results of the infill drill program, in conjunction with additional metallurgical test work and further engineering and design analysis is expected to provide the basis for a PFS for Ilovitza, with a target completion of Q2-2013.

Trun gold Project, Bulgaria

The 100% owned Trun gold project located in Bulgaria was acquired under a permit issued by the government of Bulgaria on July 12, 2004.

The existing mineral resources for Trun, estimated by Broad Oak Associates and reported in a NI 43-101 technical report dated January 31, 2011 and filed on SEDAR are as follows:

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

In July 2012 the Company submitted an application for a CDC to the Bulgarian authorities. The submission included non-NI 43-101 resources classified using the old Soviet style system, as prescribed by the authorities and based on drilling to June this year. The submission will allow the resources to be recognised officially by the Bulgarian State and effectively forms the commencement of the application for a mining concession and of an environmental assessment process. The Company is now in the process of updating their NI 43-101 compliant resources based on the same drilling to include additional resources to those in the Logo area which are detailed in the current resources detailed above. The resource update will be complete by Q1-2013. Further resource updates are planned during the permitting process which is anticipated to take between two and four years.

Final results of the 2012 drilling program completed at Trun during Q2-2012 were announced during the quarter. Highlights are provided in the tables presented in the two following pages. Complete details of the results were provided in the news release dated August 13, 2012.

Big Hill						
Target	Hole ID	From	To	Length	Au	Ag
Ruy	TC12170	40.0	99.6	59.6	0.71	nsv
	including	45.0	80.1	35.1	1.07	nsv
	including	47.0	64.0	17.0	1.8	nsv
Ruy	TC12173	29.0	35.0	6.0	0.6	nsv
	including	30.6	32.1	1.5	1.29	nsv
		39.0	52.5	13.5	0.44	nsv
	including	42.2	47.0	4.8	0.56	nsv
		67.0	79.1	12.1	0.95	nsv
	including	71.0	77.0	6.0	1.54	nsv
		137.0	141.5	4.5	0.62	nsv
Ruy	TC12177	97.8	99.6	1.8	0.47	7.0
Nadejda	TC12157	80.5	128.0	47.5	1.45	nsv
	including	80.5	120.0	39.5	1.72	nsv
	including	97.0	116.5	19.5	2.94	nsv
	including	97.0	107.3	10.3	4.84	nsv
Nadejda	TC12161	140.0	158.0	18.0	0.51	nsv
	including	144.5	155.0	10.5	0.73	nsv
	including	144.5	152.4	7.9	0.91	nsv
Nadejda	TC12165	107.0	127.8	20.8	0.59	nsv
	including	115.0	125.0	10.0	0.82	nsv
		138.5	148.0	9.5	0.6	nsv
	including	140.0	144.3	4.3	0.84	nsv
Nadejda	TC12166	38.0	48.0	10.0	0.7	nsv
	including	40.5	45.6	5.1	1.05	nsv
		57.0	60.0	3.0	0.72	nsv
Nadejda	TC12167	46.6	50.6	4.0	0.71	nsv
	including	47.6	50.6	3.0	0.88	nsv
		69.0	76.5	7.5	0.25	nsv
	including	71.5	74.0	2.5	0.54	nsv
Nadejda	TC12169	67.5	74.0	6.5	0.41	nsv
	including	72.5	74.0	1.5	1.36	nsv
		80.5	102.8	22.3	0.26	nsv
	including	86.5	89.5	3.0	0.48	nsv
	and	97.0	101.3	4.3	0.41	nsv
Nadejda	TC12174	88.0	95.5	7.5	1.88	nsv
	including	88.0	90.0	2.0	2.09	nsv
	and	93.0	95.5	2.5	2.85	nsv
Tumba	TC12159	86.1	87.5	1.4	1.13	nsv

Little Hill						
Target	Hole ID	From	To	Length	Au	Ag
KD	TC12176	75.0	82.1	7.1	0.7	nsv
	including	79.8	82.1	2.3	1.3	nsv
		94.1	97.4	3.3	1.7	8.7
	including	94.1	95.9	1.8	2.88	12.6
		138.0	147.1	9.1	0.97	nsv
	including	138.0	140.0	2.0	2.76	nsv
		171.8	173.5	1.7	1.26	8.0
		181.4	184.0	2.6	0.66	1.7
KD	TC12178	4.8	10.2	5.4	0.87	2.0
		134.0	153.7	19.7	1.32	23.3
	including	138.5	144.7	6.2	3.19	16.6

Babyak prospect

The Company holds a 100% interest in the Babyak gold prospect located in southern Bulgaria. Babyak covers an area of 101 km^2 and was acquired under an exploration permit issued by the government of Bulgaria on November 11, 2011. During Q3-2012, the Company started a four hole drill program on Babyak aimed at following up surface gold mineralization. One hole was completed to a depth of 123.2 metres and follow up drilling continues on the project.

KMC copper-gold Project, Serbia

The KMC Project located in southern Serbia was optioned from a major international mining company in 2008 and was subject to certain back-in rights. In 2011, the optioner agreed to forego its option to acquire a 70% interest in the property. Euromax, through a wholly owned subsidiary, now owns a 100% interest in the KMC property, subject to a 2% net smelter return royalty on gold, and a 1.5% net smelter return royalty on all base and precious metals other than gold, extracted from the KMC property (*see news release dated July 26, 2011*).

The 2012 drilling campaign continued during Q3-2012 to test multiple new targets defined by magnetic, induced polarization ("IP") and resistivity data collected in late 2011. A total of 3,790.6 metres were drilled in seven holes during the quarter.

Breznik and Rakitovo gold-silver Projects, Bulgaria

The Breznik and Rakitovo projects were 100% indirectly owned by the Company through its wholly-owned subsidiary Thrace Resources EOOD ("Thrace").

During Q2-2012, the Company sold Thrace (*see news release dated May 7, 2012*) to a private company for payments that will total $3.5 million, if certain milestones are achieved, and a 1.5% net smelter return royalty on the first 330,000 ounces of gold and 970,000 ounces of silver produced at the Breznik property. An initial payment of $1,450,972 was received in April 2012.

During Q3-2012, the Company provided certain geological services to the buyers of Thrace under a service agreement and received $108,558 for these services, recorded as other income.

Roger Moss, Ph.D., P.Geo., Technical Advisor, is the Qualified Person responsible for the review of the technical information contained in this section of the Company's MD&A.

CORPORATE DEVELOPMENT

In May 2012 (*see news release dated May, 22, 2012*), the Company's board of directors was strengthened and a new management team was appointed, including Martyn Konig as Non-Executive Chairman, Steve Sharpe as President and Chief Executive Officer, Varshan Gokool as Chief Financial Officer, Tim Morgan-Wynne as a Non-Executive Director (*see news release dated June 14, 2012)* and Deborah Paxford as VP Legal Affairs and Corporate Secretary *(see news release dated October 16, 2012.*

The Company has set up a corporate office in London, United Kingdom, to further the development of the Company and to execute the refined corporate focus outlined in the Company's press release of June 14, 2012. This includes the assessment of both a move to the senior board of the Toronto Stock Exchange and a listing on the London Stock Exchange.

RESULTS OF OPERATIONS – THREE MONTHS ENDED SEPTEMBER 30, 2012

The Company recorded a net loss of $1,299,525 or $0.01 per share in Q3-2012, compared to a net loss of $859,680 or $0.01 per share in the quarter ended September 30, 2011 ("Q3-2011").

The Company's most significant expenses in Q3-2012 were salaries, director and management fees of $563,263 (Q3-2011: $393,156), office and general expenses of $268,003 (Q3-2011: $56,963), accounting, legal and professional fees of $207,909 (Q3-2011: $66,326) and share-based payment of $153,191 (Q3-2011: $168,560).

General and administrative expenses increased in Q3-2012 due to the higher level of corporate activities –including costs associated with the set-up and operation of the new London corporate office.

Other income of $134,746 (Q3-2011: $12,058) included technical fees of $108,558 charged to the buyers of Thrace under a service agreement.

In Q3-2012, the Company recorded other comprehensive loss of $360,549 from a cumulative translation adjustment (Q3-2011: other comprehensive income of $394,920).

RESULTS OF OPERATIONS – NINE MONTHS ENDED SEPTEMBER 30, 2012

The Company recorded a net loss of $3,642,038 or $0.02 per share YTD-2012, compared to a net loss of $2,476,830 or $0.02 per share in the nine months ended September 30, 2011 ("YTD-2011").

The most significant expenses incurred by the Company YTD-2012 were salaries, director and management fees of $1,477,162 (YTD-2011: $879,401), accounting, legal and professional fees of $635,705 (YTD-2011: $136,006) and share-based payment of $571,602 (YTD-2011: $852,512).

The Company recorded other comprehensive loss of $651,480 YTD-2012 from a cumulative translation adjustment (YTD-2011: other comprehensive income of $577,311).

SUMMARY OF QUARTERLY FINANCIAL RESULTS
(Expressed in thousands of dollars except per share amounts)

	Three months ended			
	September 30, 2012	**June 30, 2012**	**March 31, 2012**	**December 31, 2011**
Net loss	(1,299)	(1,530)	(813)	(1,008)
Loss per share	(0.01)	(0.01)	(0.00)	(0.01)

	September 30, 2011	**June 30, 2011**	**March 31, 2011**	**December 31, 2010**
Net loss	(860)	(836)	(781)	(908)
Loss per share	(0.01)	(0.00)	(0.01)	(0.01)

LIQUIDITY AND CAPITAL RESOURCES

At September 30, 2012, the Company had working capital of $6,036,392, compared to $2,268,793 at December 31, 2011, including a cash balance of $6,013,897 (December 31, 2011: $2,022,188).

Trade and other receivables were $1,064,919 at September 30, 2012, compared to $776,112 at December 31, 2011. Included in trade and other receivables are VAT receivable in Bulgaria and the United Kingdom, HST receivable in Canada and leasehold deposits.

Trade and other payables were $1,042,424 at September 30, 2012, compared to $529,507 at December 31, 2011.

Exploration activity in the Company's projects in south-eastern Europe and general and administrative overheads for the London and Vancouver offices, including costs of setting up the London office, have been funded by cash on hand.

On June 13, 2012, the Company completed a non-brokered private placement (the "June 2012 Private Placement") consisting of 42,000,666 common shares in the Company at a price of $0.15 per share, for gross proceeds of $6,300,100.

The Company incurred cash share issue costs of $70,719 in connection with the June 2012 Private Placement in respect of filing and legal costs.

On January 13, 2012, the Company completed a non-brokered private placement (the "January 2012 Private Placement") consisting of 17,300,000 units in the Company at a price of $0.22 per unit, for gross proceeds of $3,806,000. Each unit is comprised of one common share and one common share purchase warrant. Each warrant entitles the holder to acquire one additional common share of the Company at an exercise price of $0.30 until January 16, 2014.

The warrants issued in January 2012 were valued by the Company at $2,082,208. The aggregate fair market value of the warrants and the shares issued in the January 2012 Private Placement was distributed on a pro-rata basis between share capital and equity reserve.

The Company incurred cash share issue costs of $40,443 in connection with the January 2012 Private Placement in respect of filing and legal costs, of which $26,935 was allocated to share capital and $13,508 to equity reserve.

On February 24, 2011, Euromax completed a non-brokered private placement (the "2011 Private Placement") consisting of 22,500,000 units in the Company at a price of $0.35 per unit, for gross proceeds of $7,875,000. Each unit was comprised of one common share and one-half of one common share purchase warrant. Each full warrant entitled the holder to acquire one additional common share of Euromax at an exercise price of $0.50. The warrants expired unexercised on February 24, 2012.

LIQUIDITY AND CAPITAL RESOURCES - Continued

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 2011 Private Placement was distributed on a pro-rata basis between share capital and equity reserve.

The Company incurred share issue costs of $273,375 in connection with the 2011 Private Placement, including finders' fees of $231,000 and $42,375 of filing and legal costs of which $232,991 was allocated to share capital and $40,384 to equity reserve.

The 2012 and 2011 financings have allowed the Company to fund operations and advance its projects in the Region.

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 funds through the future issuance of securities.

Operating Activities

Cash used in operations in the nine months ended September 30, 2012, including the changes in non-cash working capital items, was $2,787,047 (2011: $1,639,839).

Financing Activities

Cash received from financing activities in the nine months ended September 30, 2012 included $9,994,938 from the private placements described above (2011: $7,601,625), $144,224 from the exercise of 901,400 warrants (2011: $nil) and $373,750 from the exercise of 2,875,000 share options (2011: $312,150 from the exercise of 1,290,000 share options).

Investing Activities

The Company used cash of $3,642,312 in investing activities in the nine months ended September 30, 2012 (2011: $3,178,168). The principal investing activities were payments of $4,741,316 (2011: $3,127,021) for increases to unproven mineral right interests, and the receipt of $1,450,972 (2011: $nil) from the sale of Thrace described earlier in this MD&A.

LIQUIDITY AND CAPITAL RESOURCES - Continued

A summary of changes to the Company's unproven mineral rights in 2011 and YTD-2012 is presented below.

	Bulgaria			Macedonia	Serbia	
	Trun/Prospects	Breznik	Rakitovo	Ilovitza	KMC	Total
	$	$	$	$	$	$
Balance, January 1, 2011	296,046	1,048,351	188,942	2,610,895	2,427,458	6,571,692
Exploration expenditures:						
Assays and analysis	213,271	139,272	-	74,036	87,928	514,507
Drilling	1,440,965	35,974	-	1,316,528	433,813	3,227,280
Geological consulting	401,459	28,559	16,021	612,370	7,444	1,065,853
Geophysical contractors	-	-	-		7,952	7,952
Other	198,669	30,511	-	82,757	90,524	402,461
	2,550,410	1,282,667	204,963	4,696,586	3,055,119	11,789,745
Other items:						
Acquisition costs and payments	8,049	703	-	(343,021)	-	(334,269)
Exchange differences	(88,745)	(12,896)	(862)	113,781	(9,800)	1,478
Balance, December 31, 2011	2,469,714	1,270,474	204,101	4,467,346	3,045,319	11,456,954
Balance, January 1, 2012	2,469,714	1,270,474	204,101	4,467,346	3,045,319	11,456,954
Exploration expenditures:						
Assays and analysis	109,913	-	-	99,905	40,898	250,716
Drilling	1,118,716	-	-	959,418	1,246,700	3,324,834
Geological consulting	636,879	-	-	238,239	34,199	909,317
Geophysical contractors	129,949	-	-	-	2,537	132,486
Other	66,512	-	-	8,495	48,431	123,438
	4,531,683	1,270,474	204,101	5,773,403	4,418,084	16,197,745
Other items:						
Acquisition costs and payments	7,153	-	-	-	-	7,153
Sale of unproven mineral right interests	-	(1,249,392)	(200,926)	-	-	(1,450,318)
Exchange differences	(150,062)	(21,082)	(3,175)	(168,103)	(221,052)	(563,474)
Balance, September 30, 2012	4,388,774	-	-	5,605,300	4,197,032	14,191,106

CRITICAL ACCOUNTING ESTIMATES

The Company's significant accounting policies are summarized in Note 3 of its audited consolidated financial statements for the year ended December 31, 2011. The preparation of consolidated financial statements in accordance with IFRS requires management to select accounting policies and make estimates and judgements that may have a significant impact on the consolidated financial statements.

The Company regularly reviews its estimates; however, actual amounts could differ from the estimates used and, accordingly, materially affect the results of operations.

Examples of significant estimates include:

- Carrying values of mineral right interests;
- Carrying values of equipment and depreciation rates for equipment;
- Valuation of deferred income taxes and allowances;
- Assumptions used to assess impairment of mineral right interests and equipment;
- Valuation of share-based payments.

Examples of significant judgements, apart from those involving estimates, include:

- The accounting policies for mineral right interests and equipment;
- Classification of financial instruments;
- Determination of functional currency.

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

Global financial conditions in recent years 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.

Dilution

The Company may require additional monies to fund development and exploration programs and potential acquisitions. The Company cannot predict the size of future issuances of common shares or the issuance of debt instruments or other securities convertible into shares or the effect, if any, that future issuances and sales of the Company's securities will have on the market price of the common shares. If it raises additional funding by issuing additional equity securities, such financing may substantially dilute the interests of existing shareholders. Sales of substantial amounts of common shares, or the availability of such common shares for sale, could adversely affect the prevailing market prices for the Company's securities.

No Dividends

The Company has never paid cash dividends. It currently intends to retain future earnings, if any, to fund the development and growth of its business, and may not pay any cash dividends for the foreseeable future. Furthermore, the Company may in the future become subject to contractual restrictions on, or prohibitions against, the payment of dividends. As a result, investors will have to rely on capital appreciation, if any, to earn a return on their investment in common shares in the foreseeable future. The payment of future dividends, if any, will be reviewed periodically by the Company's board of directors and will depend upon, among other things, conditions then existing including earnings, financial condition and capital requirements, restrictions in financing agreements, business opportunities and conditions and such other factors deemed by the board of directors to be relevant at the time.

Currency Risk

The Company maintains most of its working capital in Canadian dollars. The Company currently operates in Bulgaria, Macedonia and Serbia and its operating costs are incurred in a combination of Bulgarian Lev, Macedonian Denar, Serbian Dinar, United States Dollars, British Pounds or Euros. Accordingly, the Company is subject to fluctuations in the rates of currency exchange between these currencies. 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, 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. Different experts may provide different interpretations of resource estimates.

Capital and Operating Cost Risks

The Company's forecasts and technical reports are based on a set of assumptions current as at the date of completion of these forecasts and studies. The realised operating and capital costs achieved by the Company may differ substantially owing to factors outside the control of the Company, including currency fluctuations, supply and demand factors for the equipment and supplies, global commodity prices, transport and logistics costs and competition for human resources. Though the Company incorporates a level of contingency in its assumptions, these may not be adequate depending on market conditions.

The mining business is capital intensive and the development, exploration and exploitation of mineral reserves and resources and the acquisition of machinery and equipment require substantial capital expenditure. The Company has a number of development projects which involve significant capital expenditure.

Further, the Company relies on certain key third-party suppliers and contractors for equipment, raw materials and services used in, and the provision of services necessary for the continuing exploration and development of its assets. As a result, the Company's operations at its sites are subject to a number of risks, some of which are outside the Company's control, including negotiating agreements with suppliers and contractors on acceptable terms, the inability to replace a supplier or contractor and its equipment, raw materials or services in the event that either party terminates the agreement, interruption of operations or increased costs in the event that a supplier or contractor ceases its business due to insolvency or other unforeseen events and failure of a supplier or contractor to perform under its agreement with the Company. The occurrence of one or more of these risks could have a material adverse effect on the Company's business, results of operations and financial condition.

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.

Health, Safety and Community Relations

The Company's operations are subject to various health and safety laws and regulations that impose various duties on the Company's operations relating to, among other things, worker safety and surrounding communities. These laws and regulations also grant the authorities broad powers to, among other things, close unsafe operations and order corrective action relating to health and safety matters. The costs associated with the compliance of such health and safety laws and regulations may be substantial and any amendments to such laws and regulations, or more stringent implementation thereof, could cause additional expenditure or impose restrictions on, or suspensions of, the Company's operations. The Company has made, and expects to make in the future, significant expenditure to comply with the extensive laws and regulations governing the protection of the environment, waste disposal, worker safety, mine development and protection of endangered and other special status species, and, to the extent reasonably practicable, create social and economic benefit in the surrounding communities.

As a mining business, the Company may come under pressure in the jurisdictions in which it operates, or will operate in the future, to demonstrate that other stakeholders (including employees, communities surrounding operations and the countries in which they operate) benefit and will continue to benefit from the Company's commercial activities, and/or that the Company operates in a manner that will minimise any potential damage or disruption to the interests of those stakeholders. The Company currently maintains good relations with local communities in the areas in which it operates and has a demonstrable track record of promoting community and social relations activities for the benefit of local communities. However, the Company may face opposition with respect to its current and future development and exploration projects which could materially adversely affect the Company's business, results of operations and financial condition.

Further, certain non-governmental organisations ("NGOs"), some of which oppose globalisation and resource development, are often vocal critics of the mining industry and its practices, including the use of hazardous substances in processing activities. Adverse publicity generated by such NGOs or others related to extractive industries generally, or the Company's operations specifically, could have an adverse effect on the Company's reputation and financial condition and may impact its relationship with the communities in which it operates. The Company seeks to mitigate this risk by its commitment to operate in a socially responsible manner. However, there can be no guarantee that the Company's efforts in this respect will mitigate this potential risk.

The Company may also be held responsible for the costs of addressing contamination at the site of current or former activities and could be held liable for exposure to hazardous substances. The costs associated with such responsibilities and liabilities may be significant.

Tax Matters

The Company's tax residency is affected by a number of factors, some of which are outside of its control, including the application and interpretation of the relevant tax laws and treaties. If ever the Company was assessed to be non-tax resident in Canada, it may be liable to pay additional Canadian taxes, including, but not limited to, capital gains tax based on the difference between the fair market value and tax cost of its assets at the relevant time. If such taxes were to become payable, this could have a material adverse effect on the Company's business, results of operations and financial condition. Further, the income tax consequences to holders of Common Shares would be different from those applicable if the Company were resident in Canada.

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.

Carrying Value of Property

Based on annual impairment reviews made by management, in the event that the long-term expectation is that the net carrying amount of certain capitalised development and exploration costs will not be recovered, then the carrying amount is written down to the appropriate fair value, with the write-down amount charged to the income statement. These write-downs could occur if: the carrying amounts of the capitalised costs exceed the related undiscounted net cash flows of reserves; exploration activities have ceased; exploration results are not promising such that exploration will not be planned for the foreseeable future; or insufficient funding is available to complete the development and exploration program.

Expected future cash flows are inherently uncertain, and could materially change over time. They are significantly affected by reserve and production estimates, together with economic factors such as spot and forward gold prices, discount rates, currency exchange rates, estimates of costs to produce reserves and future capital expenditures. If any of these uncertainties occur either alone or in combination, it could require management to recognise an impairment, which could adversely affect the Company's business, results of operations and financial condition.

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.

SUBSEQUENT EVENTS

Subsequent to September 30, 2012:

a) Euromax completed a share consolidation of its issued and outstanding common shares, further to the approval of shareholders at the Company's annual and special meeting held on May 22, 2012. The consolidation was effective from October 17, 2012 and carried out on a basis of one post-consolidation share for every three pre-consolidation shares. As a result of the consolidation, Euromax's issued and outstanding common shares were reduced from 211,022,579 to 70,340,858. No fractional shares were issued. Fractional share interests of 0.50 or higher arising from the consolidation were rounded up to one whole common share and fractional share interests of less than 0.50 were cancelled. The exercise price and the number of common shares of Euromax issuable under its outstanding share purchase options and warrants adjusted on the same basis.

b) The Company announced preliminary results of a PEA for the Ilovitza gold project led by Tetra Tech (*see news release dated October 24, 2012*). Results of the PEA, which are based on the MMTS resource estimate, indicate a net present value of US$ 352 million at a 5% discount rate based on a 12 million tonne per annum throughput. Annual metal production is estimated at 133,000 oz gold and 24,000 tonnes copper at operating cash costs estimated at US$600/oz to US$650/oz on a gold equivalent basis.

c) The Ilovitza EIS was formally approved under Macedonian law (*see news release dated October 24, 2012*).

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 November 8, 2012, the Company had outstanding (post-consolidation basis) 70,340,858 common shares, 5,766,666 share purchase warrants with an exercise price of $0.90 per share and 4,906,788 share options, with exercise prices ranging from $0.39 to $1.05 per share. Additional information is available on SEDAR at www.sedar.com and at the Company's website www.euromaxresources.com.