EUROTIN INC.

FILING STATEMENT
IN RESPECT OF ITS QUALIFYING TRANSACTION

March 15, 2011

Neither the TSX Venture Exchange Inc. nor any securities regulatory authority has in any way passed upon the merits of the Qualifying Transaction described in this filing statement.

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INTRODUCTION

This Filing Statement is being furnished in connection with the Qualifying Transaction of Eurotin Inc.

All capitalized terms used in this Filing Statement but not otherwise defined herein have the meanings set forth under "Glossary of Terms". Information contained in this Filing Statement is given as of March 15, 2011 unless otherwise specifically stated.

No person is authorized to give any information or to make any representation not contained in this Filing Statement and, if given or made, such information or representation should not be relied upon as having been authorized by Eurotin or the directors and officers of Eurotin. This Filing Statement does not constitute an offer to sell, or a solicitation of an offer to acquire, any securities, or the solicitation of a proxy, by any person in any jurisdiction in which such an offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such an offer or proxy solicitation.

The Exchange has not in any way passed upon the merits of the transactions described herein and any representation to the contrary is an offence.

Forward Looking Statements

This Filing Statement contains forward looking statements. All statements other than statements of historical fact contained in this Filing Statement are forward looking statements, including, without limitation, statements regarding the future financial position, business strategy, proposed acquisitions, budgets, litigation, projected costs and plans and objectives of or involving Eurotin. Shareholders can identify many of these statements by looking for words such as "believes", "expects", "will", "intends", "projects", "anticipates", "estimates", "continues" or similar words or the negative thereof. These forward looking statements include statements and assumptions with respect to: fluctuation of mineral prices, foreign currency fluctuations, the estimation of mineral reserves and resources, the realization of mineral reserve estimates, the timing and amount of estimated future production, costs of production, capital expenditures, costs and timing of the development of new deposits, success of exploration activities, permitting time lines, requirements for additional capital, political risks, statutory and regulatory compliance, changes to laws, regulations and permits governing operations and activities of mining companies, industrial accidents, labour disputes, environmental risks, unanticipated reclamation expenses, title disputes or claims, limitations on insurance coverage, repatriation of earnings to Canada from other jurisdictions, dependence on key management employees, conflicts of interest, significant and increasing competition in the mining industry, stock price and volume volatility and the Closing Date of the Transaction as well as the stock exchange listing of securities to be issued under the Transaction. There can be no assurance that the plan, intentions or expectations upon which these forward looking statements are based will occur. Forward looking statements are subject to risks, uncertainties and assumptions, including those discussed elsewhere in this Filing Statement.

The forward looking statements contained herein are expressly qualified in their entirety by this cautionary statement. The forward looking statements included herein are made as of the date of this Filing Statement and, except as required under applicable securities laws, Harmony undertakes no obligation to publicly update such forward looking statements to reflect new information, subsequent events or otherwise.

Technical Information

Technical information provided in this Filing Statement for the Oropesa Property is based upon information contained in a technical report entitled "NI 43-101 Technical Report for the Oropesa Property, Cordoba Province, Region of Andalucia, Spain of Minas de Estano de Espana, S.L.U. dated effective January 19, 2011.

James G. Burns is the responsible "qualified person" under NI 43-101. The Technical Report was prepared for Eurotin in compliance with NI 43-101 and has been submitted to the Exchange, the British Columbia Securities Commission, Alberta Securities Commission and the Ontario Securities Commission in connection with this Filing Statement and the Transaction.

Financial Information and Accounting Principles

The financial statements and summaries of financial information contained in this Filing Statement are reported in Canadian dollars, except where otherwise noted. All financial statements of Eurotin have been prepared in accordance with Canadian generally accepted accounting principles.

GLOSSARY OF TERMS

In this Filing Statement, including under "Summary", unless otherwise stated, the following capitalized words and terms have the following meanings:

$ or Cdn $	means Canadian dollars, unless otherwise specified.
Affiliate	means a Company that is affiliated with another Company as described below. A Company is an "Affiliate" of another Company if: (a) one of them is the subsidiary of the other, or (b) each of them is controlled by the same Person. A Company is "controlled" by a Person if: (a) Voting Shares of the Company are held, other than by way of security only, by or for the benefit of that Person, and (b) the Voting Shares, if voted, entitle the Person to elect a majority of the directors of the Company. A Person beneficially owns securities that are beneficially owned by: (a) a Company controlled by that Person, or (b) an Affiliate of that Person or an Affiliate of any Company controlled by that Person.
Amalco	means Stannico Resources Ltd., a company to be formed under the *Business Corporations Act* (Ontario), as the entity created by the Amalgamation.
Amalgamation	means the merger of Stannico with Eurotin Sub to create Amalco, a wholly-owned subsidiary of Eurotin.
Amalgamation Agreement	means the amalgamation agreement dated March 15, 2011 among Eurotin, Eurotin Sub and Stannico whereby all of the issued and outstanding securities of Stannico are exchanged, on a four for three basis, for an equivalent number of Eurotin securities having the same terms and conditions as the Stannico securities.
Arm's Length Transaction	means a transaction which is not a Related Party Transaction.
Associate	when used to indicate a relationship with a Person, means: (a) an issuer of which the Person beneficially owns or controls, directly or indirectly, voting securities entitling him to more than 10% of the voting rights attached to outstanding securities of the issuer, (b) any partner of the Person, (c) any trust or estate in which the Person has a substantial beneficial interest or in respect

of which a Person serves as trustee or in a similar capacity,

(d) in the case of a Person, who is an individual:

(i) that Person's spouse or child, or

(ii) any relative of the Person or of his spouse who has the same residence as that Person;

But

(e) where the Exchange determines that two Persons shall, or shall not, be deemed to be associates with respect to a Member firm, Member corporation or holding company of a Member corporation, then such determination shall be determinative of their relationships in the application of Rule D.1.00 of the TSX Venture Exchange Rule Book and Policies with respect to that Member firm, Member corporation or holding company.

Auditors means Shimmerman Penn LLP Chartered Accountants, located at 30 St. Clair Avenue West, Suite 400, Toronto, Ontario M4V 3A1, the auditors of Eurotin.

Board or the Board of Directors means the board of directors of Eurotin.

CEO means the Chief Executive Officer of the Resulting Issuer.

CFO means the Chief Financial Officer of the Resulting Issuer.

Closing Date means the date of closing of the Transaction.

Company unless specifically indicated otherwise, means a corporation, incorporated association or organization, body corporate, partnership, trust, association or other entity other than an individual.

Completion of the Qualifying Transaction means the date of the Final Exchange Bulletin.

Control Person means any Person that holds or is one of a combination of Persons that holds a sufficient number of any of the securities of an issuer so as to affect materially the control of that issuer, or that holds more than 20% of the outstanding voting securities of an issuer except where there is evidence showing that the holder of those securities does not materially affect the control of the issuer.

CPC means a corporation:

(a) that has been incorporated or organized in a jurisdiction in Canada;

(b) that has filed and obtained a receipt for a preliminary CPC prospectus from one or more of the securities regulatory authorities in compliance with Policy 2.4 – *Capital Pool Companies*, of the Exchange; and

(c) in regard to which the Completion of the Qualifying Transaction has not yet occurred.

CPC Escrow Agreement	means the Form 2F escrow agreement dated March 13, 2009 among Eurotin, certain escrow shareholders, including the Eurotin Principals, and Equity (as escrow agent) with respect to the deposit of Eurotin Shares in escrow before Eurotin's initial public offering.
CPC Policy	means Policy 2.4 – *Capital Pool Companies*, of the Exchange.
Engineer	Means James G. Burns, the author of the Technical Report
Equity	means Eurotin's registrar, transfer and escrow agent, Equity Transfer and Trust Company.
Eurotin	means Eurotin Inc., a company incorporated under the laws of Ontario and a CPC, having its common shares listed on the Exchange under the trading symbol "ERT.P".
Eurotin Options	means options to acquire Eurotin Shares under the Stock Option Plan
Eurotin Principals	means David Danziger, Minhas Mohamed, Paul Pathak and Michael Baybak.
Eurotin Shares	means common shares in the capital of Eurotin.
Eurotin Sub	means 2272048 Ontario Inc., a company incorporated under the *Business Corporations Act* (Ontario), and the wholly owned subsidiary of Eurotin which will complete the Amalgamation with Stannico.
Eurotin Warrants	means warrants to acquire Eurotin Shares.
Exchange	means the TSX Venture Exchange Inc.
Filing Statement	means this filing statement of Eurotin together with the attached schedules.
Final Exchange Bulletin	means the bulletin issued by the Exchange following closing of a QT and the submission of all required documentation which evidences the final Exchange acceptance of the QT.
Insider	if used in relation to an issuer, means: (a) a director or senior officer of the issuer; (b) a director or senior officer of the Company that is an insider or subsidiary of the issuer; (c) a person that beneficially owns or controls, directly or indirectly, voting shares carrying more than 10% of the voting rights attached to all outstanding voting shares of the issuer; or (d) the issuer itself if it holds any of its own securities.
MEE	Minas de Estano de Espana, S.L.U. a wholly owned subsidiary of Stannico
Member	has the meaning given to it in Rule A.1.00 of the Exchange.
Minimum Listing Requirements	has the meaning specific in Policy 2.1 - *Minimum Listing Requirements*, of the Exchange.
NI 43-101	means the Canadian Securities Administrators' National Instrument 43-101 – *Standards of*

Disclosure for Mineral Projects.

New Principals	means the incoming directors and officers of Eurotin on the Completion of the Qualifying Transaction being Peter Miller (President, CEO and Director), Harvey McKenzie (CFO), David Danziger (Director), John Trapman (Director), Francisco Fimbres (Director), Colin Jones (Director) and John Hick (Director).
Non Arm's Length Party	means in relation to a Company, a promoter, officer, director, other Insider or Control Person of that Company (including an issuer) and any Associates or Affiliates of any of such Persons. In relation to an individual, means any Associate of the individual or any Company of which the individual is a promoter, officer, director, Insider or Control Person.
Non-Arm's Length Qualifying Transaction	means a proposed Qualifying Transaction where the same party or parties or their respective Associates or Affiliates are Control Persons in both the CPC and in relation to the Significant Assets which are to be the subject of the proposed Qualifying Transaction.
OBCA	means the *Business Corporations Act* (Ontario), as amended from time to time and including any regulations promulgated thereunder.
Oropesa Property	means the Oropesa property located in Cordoba province, Region of Andalucia, southern Spain, approximately 110 km north northeast from the city of Seville, and 75 km northwest from the city of Cordoba, the provincial capital. It consists of Investigation Permit Oropesa number 13.050, comprises 78 cuadricula mineras, and totals 23.4 km^2, as more particularly described under the heading "Property Description and Location".
Person	means a Company or individual.
Qualifying Transaction or QT	means a transaction where a CPC acquires Significant Assets other than cash, by way of purchase, amalgamation, merger or arrangement with another company or by other means, and in this Filing Statement means the Transaction.
Related Party Transaction	has the meaning ascribed to that term under Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions*. The Exchange may deem a transaction to be a Related Party Transaction where the transaction involves Non Arm's Length Parties, or other circumstances exist which may compromise the independence of the Issuer with respect to the transaction.
Resulting Issuer	means Eurotin on completion of the Qualifying Transaction as a Tier 2 Mining Issuer on the Exchange, with Amalco as its wholly-owned subsidiary.
Significant Assets	means one or more assets or businesses which, when purchased, optioned or otherwise acquired by the CPC, together with any other concurrent transactions, result in a CPC meeting the Minimum Listing Requirements of the Exchange, and in this Filing Statement means the rights of Eurotin under the Amalgamation Agreement.
Stock Option Plan	means Eurotin's stock option plan, which will be a "10% Rolling Plan" within the meaning of Exchange policies on Completion of the Qualifying Transaction.
Stannico	means Stannico Resources Inc., a company incorporated under the *Business Corporations Act* (Ontario).
Stannico Options	means the options to acquire Stannico Shares, upon such terms and conditions as described herein.

Stannico Shares	means the Common Shares in the capital of Stannico.
Stannico Warrants	means share purchase warrants of Stannico, each entitling the holder to acquire one Stannico Share at an exercise price of $0.10 to $0.225 for a period of 24 months from the date of issuance.
Technical Report	means the technical report entitled “NI 43-101 Technical Report for the Oropesa Property, Cordoba Province, Region of Andalucia, Spain of Minas de Estano de Espana, S.L.U.” dated effective January 19, 2011 and prepared by James G. Burns, as the responsible independent qualified person, in accordance with NI 43-101.
Transaction	means the transaction contemplated by the Amalgamation Agreement.
US$	means United States dollars.
Value Escrow Agreement	means the Form 5D escrow agreement to be entered into on or about the Closing Date among Eurotin, certain escrow shareholders, including some of the New Principals, and Equity (as escrow agent) with respect to the deposit of Eurotin Shares in escrow in accordance with Exchange policies.
Voting Shares	means a security of an issuer that: (a) is not a debt security, and (b) carries a voting right either under all circumstances or under some circumstances that have occurred and are continuing.

GLOSSARY OF MINING TECHNICAL TERMS

“**BQ**” means letter name specifying the dimensions of bits, core barrels, and drill rods in a drilling system;

“**EIS**” means an environmental impact study that must be approved by the governmental environment department in Spain;

“**HQ**” means letter name specifying the dimensions of bits, core barrels, and drill rods in a drilling system;

“**IGME**” means the Instituto Geologico y Minero de Espana;

“**INAA**” means Instrumental Neutron Activation;

“**MC**” means a mining concession granted under the Mining Act;

“**Mining Act**” means the Spanish Mining Act;

“**NSR**” means net smelter royalty;

“**NQ**” means letter name specifying the dimensions of bits, core barrels, and drill rods in a drilling system;

“ppm” means parts per million;

“**PI**” means an investigation permit granted under the Mining Act;

"**QA/QC**" means quality assurance and quality control;

"**RP**" means a restoration program that must be approved by the governmental environment department in Spain;

"**REE**" means rare earth element;

"**UDC**" means the lower carbonatized detrital unit;

"**UFC**" means the culm facies unit; and

"**XRF**" means x-ray fluorescence.

MINERAL ABBREVIATIONS

Ag	Silver
As	Arsenic
Au	Gold
Be	Beryllium
Bi	Bismuth
Cu	Copper
F	Fluorine
Hg	Mercury
Li	Lithium
Mo	Molybdenum
Ni	Nickel
Pb	Lead
Rb	Rubidium
Sn	Tin
U	Uranium
W	Tungsten
Zn	Zinc

METRIC ABBREVIATIONS

"gm" means grams;

"km" means kilometres;

"m" means metres;

"mm" means millimetres; and

"ppm" means parts per million.

SUMMARY

***The following is a summary (the "Summary") of information relating to Eurotin Inc. and its proposed Qualifying Transaction and should be read together with the more detailed information and financial data and statements contained elsewhere in this Filing Statement*.**

General

Eurotin is a CPC within the meaning of the policies of the Exchange and is listed on the Exchange. Stannico is a private Canadian corporation which has, among other assets, an interest in the Oropesa Property, a tin and base metals property located in Spain. The purpose of this Filing Statement is to provide information on Eurotin's proposed acquisition of Stannico, which will be effected pursuant to the Amalgamation Agreement. The Transaction will constitute Eurotin's Qualifying Transaction pursuant to the policies of the Exchange. The funds that have been raised by the Resulting Issuer will be used to complete the Qualifying Transaction and to permit the Resulting Issuer to conduct the recommended work program on the Oropesa Property.

The Transaction

Pursuant to the Amalgamation Agreement, the Transaction will involve Eurotin acquiring all of the issued and outstanding securities of Stannico by issuing three Eurotin securities for every four securities of Stannico outstanding. Following the closing of the Transaction ("**Closing**"), Stannico will become a wholly-owned subsidiary of Eurotin (upon closing, the "**Resulting Issuer**").

Stannico and Eurotin have entered into the Amalgamation Agreement pursuant to which Eurotin has agreed to acquire all of the issued and outstanding securities of Stannico at a deemed issuance price of $0.20 per Stannico Share for aggregate acquisition costs of $8,029,942. The proposed transaction will be completed by way of the amalgamation of Stannico with Eurotin Sub to form an amalgamated company, to be named Stannico Resources Ltd. (**"Amalco"**). Pursuant to the Amalgamation, every four Stannico Shares will be exchanged for three Eurotin Shares, and every 4 Stannico Warrants and Stannico Options will be exchanged for three Eurotin Warrants or three Eurotin Options, respectively, having the same terms and conditions as the Stannico Warrants or Options, as the case may be, which are being exchanged. Stannico currently has 53,532,947 Stannico Shares, 24,661,653 Stannico Warrants and 4,941,666 Stannico Options issued and outstanding. Such securities will be exchanged for 40,149,710 Eurotin Shares, 18,496,240 Eurotin Warrants with exercise prices of between $0.13 to $0.30 per share and 3,706,250 Eurotin Options with an exercise price of $0.267 per share. As a result of the Amalgamation, the property of each of Stannico and Eurotin Sub will become the property of Amalco, and Amalco will continue to be liable for the obligations of each of Stannico and Eurotin Sub. Amalco will continue to carry on the business and operations of Stannico as a wholly-owned subsidiary of Eurotin, and the shareholders of Stannico will own approximately 80% of the Resulting Issuer.

On December 15, 2010, Stannico raised $2,500,000 by completing an arm's length private placement by selling units for $0.15 per unit consisting of 16,666,667 Stannico Shares (exchangeable into 12,500,000 Eurotin Shares) and 8,333,334 Stannico Warrants (exchangeable into 6,350,000 Eurotin Shares) exercisable at $0.225 per Stannico Share (adjusted to $0.30 per Eurotin Share) until December 15, 2012. In connection with this private placement, PowerOne Capital Markets Limited was paid a cash commission of $100,000 and was granted 833,333 compensation options (exchangeable into 625,000 Eurotin compensation options) to purchase additional units consisting of 1 Stannico Share and ½ a Stannico Warrant exercisable at $0.15 per unit (adjusted to $0.20 per Eurotin unit until December 15, 2012). The net proceeds of this private placement will be used for general working capital and to complete the proposed work program on the Oropesa Property.

Upon completion of the Transaction, Eurotin's directors and officers, as a group, will hold approximately 4.8% of the issued and outstanding Eurotin Shares on a non-diluted basis. See "Information Concerning the Resulting Issuer – Principal Securityholders" for more information.

Conditions to Closing the Transaction

Required Approvals

The Transaction is subject to a number of approvals, which must be obtained, and conditions, which must be met, prior to its implementation, including, but not limited to the following:

(a) the approval of the Transaction for filing by the Exchange; conditional approval of the Transaction was granted by the Exchange on March 14, 2011;

(b) the approval of the Stannico shareholders with respect to the Transaction, which was obtained at a special meeting of shareholders on February 10, 2011; and

(c) the receipt of all other necessary corporate and regulatory approvals of the Transaction and related matters.

There can be no assurance Exchange approval will be received nor that such conditions will be satisfied.

Interest of Insiders, Promoters or Control Persons

The Eurotin Principals currently hold 4,300,000 Eurotin Shares. These 4,300,000 Eurotin Shares were issued at a price of $0.05 per Eurotin Share before Eurotin's initial public offering. In accordance with the CPC Policy, all Eurotin Shares purchased by the Eurotin Principals prior to Eurotin's initial public offering are subject to the CPC Escrow Agreement. Upon Completion of the Qualifying Transaction, 10% of the Eurotin Shares held by the Eurotin Principals in escrow under the CPC Escrow Agreement will be released and the remaining Eurotin Shares held in escrow will be released in six equal tranches of 15% every six months following the Closing Date.

Peter Miller, who is considered the promoter with respect to the Transaction and the Resulting Issuer, will own, along with entities related to Peter Miller, 4,247,715 Eurotin Shares upon the completion of the Qualifying Transaction.

Arm's Length Transaction

The Transaction is not a Non-Arm's Length Qualifying Transaction, and accordingly, does not require Eurotin shareholder approval.

Estimated Funds Available to Eurotin / Resulting Issuer

The following table sets forth the estimated total funds available to the Resulting Issuer upon completion of the Transaction:

Source of Funds	
Working capital of Eurotin as at March 15, 2011	$16,397
Working capital of Stannico as at March 15, 2011	$981,343
Funds Raised through the exercise of Stannico Warrants concurrently with the closing of the Qualifying Transaction	$1,250,000
TOTAL	**$2,247,740**

See "Information Concerning the Resulting Issuer – Available Funds and Principal Purposes" for more information.

The principal purpose of such funds, after giving effect to the Transaction, will be for, among other things, working capital and future exploration activities on the Oropesa Property as set out in the Technical Report. Specifically, the Resulting Issuer intends to use the funds available for the following purposes:

Use of Funds	
Costs of Transaction Completion	$175,000
Completion of Phase 1 Exploration Program on the Oropesa Property	$985,000
Payments in respect of the Oropesa Property during the next 12 months	$25,000
General and Administrative Expenses for 12 months	$750,000
Travelling Expenses	$50,000
Operations and Business Development	$75,000
Unallocated working capital	$187,740
TOTAL	**$2,247,740**

The Resulting Issuer intends to spend the funds available to it on completion of the Transaction as set forth above. There may be circumstances, where, for sound business reasons, a reallocation of funds may be necessary. The estimated cost to complete Phase 2 of the exploration program for the Oropesa Property is $9,045,000, subject to the results of Phase 1. For more information on the exploration phases planned for the Oropesa Property see "Information Concerning the Oropesa Property".

Selected Pro Forma Financial Information

The following table sets out certain financial information for Eurotin and should be read in conjunction with the pro forma financial statements of Eurotin as at September 30, 2010 attached as Schedule "H" hereto.

Selected Financial Information.

Balance Sheet Data	**For the nine months ended September 30, 2010**
Assets	
Current Assets	
Cash	$4,339,225
Sundry Receivables and Prepaid Expenses	$23,892
Tax Credits	43,357
Mineral Properties and Deferred Exploration Expenditures	$2,139,043
Total Assets	$6,553,189
Liabilities	
Current Liabilities	
Accounts payable and	$588,181

accrued liabilities	
Due to Shareholder	$66,101
Total Liabilities	$654,282
Shareholders' Equity	
Share Capital	$6,266,623
Contributed Surplus	$432,328
Warrants	$948,041
Deficit	($1,748,085)
Total Equity	$5,898,907

Stock Exchange Listing and Market Price of the Shares

The Eurotin Shares are listed on the Exchange under the symbol "ERT.P". On September 21, 2009, Eurotin requested a "halt" of the trading of the Eurotin Shares, pending an announcement regarding the Transaction. The closing price of Shares on the Exchange was $0.12 as at the date that trading was halted. Stannico is a private company and as such does not currently trade on any market or exchange.

See "Information Concerning Eurotin – Stock Exchange Price" below for more information.

Conflicts of Interest

Directors and officers of Eurotin are or may become directors or officers of other reporting companies or have significant shareholdings in other mineral resource companies and, to the extent that such other companies may participate in ventures in which Eurotin may participate, the directors and officers of Eurotin may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. Eurotin and its directors and officers will attempt to minimize such conflicts. In the event that such a conflict of interest arises at a meeting of the directors of Eurotin, a director who has such a conflict will abstain from voting for or against the approval of such participation or such terms. In appropriate cases Eurotin will establish a special committee of independent directors to review a matter in which several directors, or officers, may have a conflict. In determining whether or not Eurotin will participate in a particular program and the interest therein to be acquired by it, the directors will primarily consider the potential benefits to Eurotin, the degree of risk to which Eurotin may be exposed and its financial position at that time. Other than as indicated, Eurotin has no other procedures or mechanisms to deal with conflicts of interest.

Interests of Experts

Neither Eurotin nor Stannico is aware that James G. Burns, the author of the Technical Report, has any interest in the Oropesa Property, Eurotin or Stannico.

Summary of Risk Factors

AN INVESTMENT IN SECURITIES OF EUROTIN IS HIGHLY SPECULATIVE AND INVOLVES A HIGH DEGREE OF RISK AND SHOULD ONLY BE MADE BY INVESTORS WHO CAN AFFORD TO LOSE THEIR ENTIRE INVESTMENT.

An investment in a natural resource company involves a significant degree of risk, including risks related to cash flow and liquidity, experience of management, the general risks inherent in the mineral exploration and development business, environmental and health risks, reliance on key personnel, regulatory constraints, economic or political conditions and financial history. Eurotin shareholders should be aware that Eurotin may not realize the anticipated benefits of the Transaction. For a comprehensive discussion of risk factors see “Risk Factors” below.

RISK FACTORS

Eurotin will face a number of challenges in the development of its properties. If the Transaction is successfully completed, Eurotin through Stannico and MEE as subsidiaries, will carry on the business of exploration and development of mineral properties in Spain. The following is a description of the principal risk factors that will affect Eurotin.

Financial History

Limited Business History

Eurotin has only recently commenced operations and has no history of operating earnings. The likelihood of success of Eurotin must be considered in light of the problems, expenses, difficulties, complication and delays frequently encountered in connection with the establishment of any business. Eurotin has limited financial resources and there is no assurance that additional funding will be available to it for further operations or to fulfill its obligations under applicable agreements. There is no assurance that Eurotin can generate revenues, operate profitably, or provide a return on investment, or that it will successfully implement its plans.

Transaction Not Approved

There can be no assurance that the Transaction will be accepted by the Exchange. There can be no assurance that all the necessary approvals will be obtained. If the Transaction is not accepted by the Exchange and the Transaction does not complete, Eurotin will continue to search for other opportunities; however, it will have incurred significant costs associated with the Transaction.

Cash Flow and Liquidity

Additional Funding Requirements

Eurotin will require additional financing to continue its operations. There can be no assurance that Eurotin will be able to obtain adequate financing in the future, or that the terms of such financing will be favourable for further exploration and development of its projects. Failure to obtain such additional financing could result in delay or indefinite postponement of further exploration and development and the property interests of Eurotin with the possible dilution or loss of such interests. Further, revenues, financings and profits, if any, will depend upon various factors, including the success, if any, of exploration programs and general market conditions for natural resources.

Property Commitments

Eurotin’s mining properties may be subject to various land payments, royalties and/or work commitments. Failure by Eurotin to meet its payment obligations or otherwise fulfill its commitments under these agreements could result in the loss of related property interests.

Potential Joint Ventures

Due to the cost of establishing and operating mining operations, Eurotin may enter into joint ventures on one or more of its properties. Any failure of such joint venture partners to meet their obligations to Eurotin or to third parties could have a material adverse effect on the joint ventures and Eurotin as a result. In addition, Eurotin may be unable to exert influence over strategic decisions made in respect of such properties.

General Risks Inherent in the Business

Operational Risks

Eurotin will be subject to a number of operational risks and may not be adequately insured for certain risks, including: environmental pollution, accidents or spills, industrial and transportation accidents, which may involve hazardous materials, labour disputes, catastrophic accidents, fires, blockades or other acts of social activism, changes in the regulatory environment, impact of non-compliance with laws and regulations, natural phenomena such as inclement weather conditions, floods, earthquakes, ground movements, cave-ins, and encountering unusual or unexpected geological conditions and technological failure of exploration methods.

There is no assurance that the foregoing risks and hazards will not result in damage to, or destruction of, the properties of Eurotin, personal injury or death, environmental damage or, regarding the exploration or development activities of Eurotin, increased costs, monetary losses and potential legal liability and adverse governmental action, all of which could have an adverse impact on Eurotin's future cash flows, earnings, results of operations and financial condition.

Additionally, Eurotin may be subject to liability or sustain loss for certain risks and hazards against which Eurotin cannot insure or which Eurotin may elect not to insure because of the cost. This lack of insurance coverage could have an adverse impact on Eurotin's future cash flows, earnings, results of operations and financial condition.

Competition for Mineral Transaction Opportunities

Significant and increasing competition exists for mineral acquisition opportunities throughout the world. As a result of this competition, some of which is with larger, more established mining companies with substantial capabilities and greater financial and technical resources, Eurotin may be unable to acquire rights to exploit additional attractive mining properties on terms that Eurotin considers acceptable. If Eurotin is not able to acquire such interests, this could have an adverse impact on future cash flows, earnings, results of operations and the financial condition of Eurotin.

Exploration and Development Activities May Not be Successful

Exploration for, and development of, mineral properties involves significant financial risks which even a combination of careful evaluation, experience and knowledge may not eliminate. While the discovery of an ore body may result in substantial rewards, few properties which are explored are ultimately developed into producing mines. Major expenses may be required to establish reserves by drilling, constructing mining and processing facilities at a site, developing metallurgical processes and extracting minerals from the ore. Eurotin cannot ensure that its future exploration and development programs will result in profitable commercial mining operations.

Also, substantial expenses may be incurred on exploration projects which are subsequently abandoned due to poor exploration results or the inability to define reserves which can be mined economically. Development projects have no operating history upon which to base estimates of future cash flow. Estimates of proven and probable reserves and cash operating costs are, to a large extent, based upon detailed geological and engineering analysis. There have been no feasibility studies conducted in order to derive estimates of capital and operating costs including, among others, anticipated tonnage and grades of ore to be mined and processed, the configuration of the ore body, ground and mining conditions, expected recovery rates of minerals from the ore, and anticipated environmental and regulatory compliance costs.

It is possible that actual costs and economic returns of future mining operations may differ materially from Eurotin's best estimates. It is not unusual in the mining industry for new mining operations to experience unexpected problems during the start-up phase and to require more capital than anticipated. These additional costs could have an adverse impact on Eurotin's future cash flows, earnings results of operations and financial condition.

Properties May be Subject to Defects in Title

Eurotin has investigated its rights to explore and exploit the Oropesa Property and, to the best of its knowledge, its rights are in good standing. However, no assurance can be given that such rights will not be revoked, or significantly altered, to its detriment. There can also be no assurance that Eurotin's rights will not be challenged or impugned by third parties.

Some Eurotin mineral claims may overlap with other mineral claims owned by third parties which may be considered senior in title to the Eurotin mineral claims. The junior claim is only invalid in the areas where it overlaps a senior claim. Eurotin has not determined which, if any, of the Eurotin mineral claims is junior to a mineral claim held by a third party.

Although Eurotin is not aware of any existing title uncertainties with respect to the Oropesa Property, there is no assurance that such uncertainties will not result in future losses or additional expenditures, which could have an adverse impact on Eurotin future cash flows, earnings, results of operations and financial condition.

Environmental and Health Risks

Environmental, Health and Safety Risks

Mining and exploration companies such as Eurotin must comply with a complex set of environmental, health and safety laws, regulations, guidelines and permitting requirements (for the purpose of this paragraph, "laws") drawn from a number of jurisdictions. The historical trend toward stricter laws is likely to continue. The precious metals industry is subject to not only the worker health, safety and environmental risks associated with all mining businesses, including potential liabilities to third parties for environmental damage, but also to additional risks uniquely associated with mineral mining and processing. The possibility of more stringent laws or more rigorous enforcement of existing laws exists in the areas of worker health and safety, the disposition of wastes, the decommissioning and reclamation of mining, milling, refining and conversion sites and other environmental matters, each of which could have a material adverse effect on the operations of Eurotin or the cost or the viability of a particular project.

Decommissioning and Reclamation

Environmental regulators are increasingly requiring financial assurances to ensure that the cost of decommissioning and reclaiming sites is borne by the parties involved, and not by government. It is not possible to predict what level of decommissioning and reclamation (and financial assurances relating thereto) may be required in the future by regulators.

Regulatory Constraints

Governmental Regulation and Policy Risks

Mining operations and exploration activities, particularly base metal mining, refining, conversion and transport in Spain are subject to extensive laws and regulations. Such regulations relate to production, development, exploration, exports, imports, taxes and royalties, labour standards, occupational health, waste disposal, protection and remediation of the environment, mine decommissioning and reclamation, mine safety, toxic substances, transportation safety and emergency response, and other matters. Compliance with such laws and regulations increases the costs of exploring, drilling, developing, constructing, operating and closing mineral mines and refining and other facilities. It is possible that, in the future, the costs, delays and other effects associated with such laws and regulations may impact decisions of Eurotin with respect to the exploration and development of properties such as the Oropesa Property. Eurotin will be required to expend significant financial and managerial resources to comply with such laws and regulations. Since legal requirements change frequently, are subject to interpretation and may be enforced in varying degrees in practice, Eurotin is unable to predict the ultimate cost of compliance with these requirements or their effect on operations. Furthermore, future changes in governments, regulations and policies and practices, such as those affecting exploration and development of the Oropesa Property could materially and adversely affect the results of operations and financial condition of Eurotin in a particular period or in its long term business prospects.

The development of mines and related facilities is contingent upon governmental approvals, licences and permits which are complex and time consuming to obtain and which, depending upon the location of the project, involve multiple governmental agencies. The receipt, duration and renewal of such approvals, licences and permits are subject to many variables outside the control of Eurotin, including potential legal challenges from various stakeholders such as environmental groups or non-government organizations. Any significant delays in obtaining or renewing such approvals, licences or permits could have a material adverse effect on Eurotin.

Economic or Political Conditions

Political and Socio-Economic Country Risks

Eurotin anticipates commencing operations in Spain in the near future once the Qualifying Transaction is completed. At such time, the Resulting Issuer may be subject to governmental, political, economic, and other uncertainties, including, but not limited to, expropriation of property without fair compensation, changes in energy policies or the personnel administering them, nationalization, currency fluctuations and devaluations, exchange controls and royalty increases, changes in mineral pricing policy, renegotiation or nullification of existing concessions and contracts, changes in taxation policies, and other risks arising out of foreign governmental sovereignty over the areas in which the Resulting Issuer's operations are conducted.

The Resulting Issuer's future operations may also be adversely affected by laws and policies of Canada affecting foreign trade, taxation and investment. In the event of a dispute arising in connection with the Resulting Issuer's operations in Spain, the Resulting Issuer may be subject to the exclusive jurisdiction of foreign courts or may not be successful in subjecting foreign persons to the jurisdictions of the courts of Canada or enforcing Canadian judgments in such other jurisdictions. The Resulting Issuer may also be hindered or prevented from enforcing its rights with respect to a governmental instrumentality because of the doctrine of sovereign immunity. Accordingly, the Resulting Issuer's exploration, development and production activities in Spain could be substantially affected by factors beyond the Resulting Issuer's control, any of which could have a material adverse effect on the Resulting Issuer.

The Resulting Issuer may in the future acquire mineral properties and operations outside of Spain and Canada, which expansion may present challenges and risks that the Resulting Issuer has not faced in the past, any of which could adversely affect the results of operations and/or financial condition of the Resulting Issuer.

Industry Competition and International Trade Restrictions

The international precious metals and base metals industries are highly competitive. The value of any future resources discovered and developed by Eurotin may be limited by competition from other world precious and base metals mining companies, or from excess inventories. Existing international trade agreements and policies and any similar future agreements, governmental policies or trade restrictions are beyond the control of Eurotin and may affect the supply of and demand for minerals around the world.

Commodity Price Fluctuations

The price of commodities varies on a daily basis but long term averages are the best method of estimating future prices. However, price volatility could have dramatic effects on the results of operations and the ability of Eurotin to execute it business plan.

Currency Fluctuations and Foreign Exchange

Eurotin raises its equity in Canadian dollars and maintains the majority of its accounts in Canadian dollars. The operations of Eurotin will be located in Spain and exploration expenses will be denominated primarily in Euros and, to a lesser extent, United States dollars. There are risks associated with the Canadian dollar/United States dollar and Canadian dollar/Euro exchange rate.

Reliance on Key Personnel

Key Personnel

The senior officers of Eurotin are critical to its success. In the event of the departure of a senior officer, Eurotin believes that it will be successful in attracting and retaining qualified successors but there can be no assurance of such success. Recruiting qualified personnel as Eurotin grows is critical to its success. The number of persons skilled in the acquisition, exploration and development of mining properties is limited and competition for such persons is intense. As Eurotin's business activity grows, it will require additional key financial, administrative and mining personnel as well as additional operations staff. If Eurotin is not successful in attracting and training qualified personnel, the efficiency of its operations could be affected, which could have an adverse impact on future cash flows, earnings, results of operations and the financial condition of Eurotin.

Experience of Management

Conflicts of Interest

Directors and officers of Eurotin are or may become directors or officers of other reporting companies or have significant shareholdings in other mineral resource companies and, to the extent that such other companies may participate in ventures in which Eurotin may participate, the directors and officers of Eurotin may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. Eurotin and its directors and officers will attempt to minimize such conflicts. In the event that such a conflict of interest arises at a meeting of the directors of Eurotin, a director who has such a conflict will abstain from voting for or against the approval of such participation or such terms. In appropriate cases Eurotin will establish a special committee of independent directors to review a matter in which one or more directors, or officers, may have a conflict. In determining whether or not Eurotin will participate in a particular program and the interest therein to be acquired by it, the directors will primarily consider the potential benefits to Eurotin, the degree of risk to which Eurotin may be exposed and its financial position at that time. Other than as indicated, Eurotin has no other procedures or mechanisms to deal with conflicts of interest.

Market Risks

Resale of Shares

The continued operation of Eurotin will be dependent upon its ability to generate operating revenues and to procure additional financing. There can be no assurance that any such revenues can be generated or that other financing can be obtained. If Eurotin is unable to generate such revenues or obtain such additional financing, any investment in Eurotin may be lost. In such event, the probability of resale of the Eurotin Shares would be diminished.

Price Volatility of Publicly Traded Securities

In recent years, the securities markets in the United States and Canada have experienced a high level of price and volume volatility, and the market prices of securities of many companies have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continuing fluctuations in price will not occur. It may be anticipated that any quoted market for the Eurotin Shares will be subject to market trends generally, notwithstanding any potential success of Eurotin in creating revenues, cash flows or earnings. The value of the Eurotin Shares will be affected by such volatility. An active public market for the Eurotin Shares might not develop or be sustained after completion of the proposed Transaction. If an active public market for the Eurotin Shares does not develop, the liquidity of a shareholder's investment may be limited and the share price may decline.

Conditional Listing Approval

The Exchange has conditionally accepted the Transaction subject to Eurotin fulfilling all of the requirements of the Exchange on or before June 14, 2011.

INFORMATION CONCERNING EUROTIN

Corporate Structure

Name and Incorporation

Eurotin was incorporated on July 31, 2008 under the OBCA as Natex Mineral Corp. Eurotin subsequently filed articles of amendment on August 22, 2008 to change its name to Eurotin Inc. and filed articles of amendment on November 4, 2008 to remove the private company restriction. Eurotin completed the IPO as a CPC on June 15, 2009 and the Common Shares were accepted for trading on the Exchange on July 2, 2009. The principal and registered office of Eurotin is located at Suite 1600, 320 Bay Street, Toronto, Ontario, M5H 4A6.

Eurotin is a reporting issuer in the provinces of British Columbia, Alberta and Ontario.

General Development of the Business of Eurotin

History

Eurotin is a CPC pursuant to the Exchange's Policy 2.4, "*Capital Pool Companies*", and since its incorporation it has not carried on any business or operations other than the identifying and evaluating business opportunities for the purposes of completing a Qualifying Transaction. Eurotin completed its IPO of 3,642,500 Common Shares, at an issue price of $0.10, on June 15, 2009 and its Common Shares were listed for trading on the Exchange on July 2, 2009 under the symbol "ERT.P". On September 18, 2010 Eurotin entered into letter of intent with Stannico pursuant to which, among other things, the Qualifying Transaction would be completed and the Resulting Issuer created. Upon completion of the Acquisition, it is anticipated that the Common Shares will remain listed on the Exchange, while trading under the symbol "TIN".

The Transaction

Pursuant to the Amalgamation Agreement, Eurotin will acquire all of the issued and outstanding securities of Stannico by issuing three Eurotin securities for every four securities of Stannico outstanding. Following the closing of the Transaction, Stannico will become a wholly-owned subsidiary of Eurotin.

Stannico and Eurotin have entered into the Amalgamation Agreement pursuant to which Eurotin has agreed to acquire all of the issued and outstanding securities of Stannico at a deemed issuance price of $0.20 per Stannico Share for aggregate acquisition costs of $8,029,942. The proposed transaction will be completed by way of the amalgamation of Stannico with Eurotin Sub to form an amalgamated company, to be named Amalco. Pursuant to the Amalgamation, every 4 Stannico Shares will be exchanged for three Eurotin Shares, and every four Stannico Warrants and Stannico Options will be exchanged for three Eurotin Warrants or three Eurotin Options, respectively, having the same terms and conditions as the Stannico Warrants or Options, as the case may be, which are being exchanged. Stannico currently has 52,532,947 Stannico Shares, 24,661,653 Stannico Warrants and 4,941,666 Stannico Options issued and outstanding. Such securities will be exchanged for 40,149,710 Eurotin Shares, 18,496,240 Eurotin Warrants with exercise prices of between $0.13 to $0.30 per share and 3,706,250 Eurotin Options with an exercise price of $0.267 per share. As a result of the Amalgamation, the property of each of Stannico and Eurotin Sub will become the property of Amalco, and Amalco will continue to be liable for the obligations of each of Stannico and Eurotin Sub. Amalco will continue to carry on the business and operations of Stannico as a wholly-owned subsidiary of Eurotin, and the shareholders of Stannico will own approximately 80% of the Resulting Issuer.

On December 15, 2010, Stannico raised $2,500,000 by completing an arm's length private placement by selling units for $0.15 per unit consisting of 16,666,667 Stannico Shares (exchangeable into 12,500,000 Eurotin Shares) and 8,333,334 Stannico Warrants (exchangeable into 6,350,000 Eurotin Shares) exercisable at $0.225 per Stannico Share (adjusted to $0.30 per Eurotin Share) until December 15, 2012. In connection with this private placement, PowerOne Capital Markets Limited was paid a cash commission of $100,000 and was granted 833,333 compensation options (exchangeable into 625,000 Eurotin compensation options) to purchase additional units consisting of 1 Stannico Share and ½ a Stannico Warrant exercisable at $0.15 per unit (adjusted to $0.20 per Eurotin unit until December 15, 2012). The net proceeds of this private placement will be used for general working capital and to complete the proposed work program on the Oropesa Property.

The current officers and directors of Eurotin, except David Danziger, intend to resign effective as of the Closing. In addition to Mr. Danziger, the proposed board of directors of the Resulting Issuer upon Closing will be comprised of John Trapman, Francisco Fimbres, Peter Miller, Colin Jones and John Hick. The new management team will be led by Peter Miller as President, Chief Executive Officer and Corporate Secretary and Harvey McKenzie will be appointed as Chief Financial Officer.

Eurotin intends to continue to operate under the name "Eurotin Inc." following the Completion of the Qualifying Transaction.

Upon completion of the Transaction, Eurotin's directors and officers, as a group, will hold approximately 4.8% of the issued and outstanding Eurotin Shares on a non-diluted basis. See "Information Concerning the Resulting Issuer – Principal Securityholders" for more information.

Conditions to Closing the Transaction

Required Approvals

The Transaction is subject to a number of approvals, which must be obtained and conditions, which must be met, prior to its implementation, including, but not limited to the following:

(a) the approval of the Transaction for filing by the Exchange, conditional approval of the Transaction was granted by the Exchange on March 14, 2011;

(b) the approval of the Stannico shareholders with respect to the Transaction, which was obtained at a special meeting of shareholders on February 10, 2011; and

(c) the receipt of all other necessary corporate and regulatory approvals of the Transaction and related matters.

There can be no assurance such approval shall be received nor that such conditions will be satisfied.

Selected Financial Information and Management's Discussion and Analysis

From July 31, 2008 to December 31, 2009 and from January 1, 2010 to September 30, 2010, Eurotin has incurred the following costs:

Expense Item	For the nine-months ended September 30, 2010	For the year ended December 31, 2009	For the year ended December 31, 2008

Expense Item	For the nine-months ended September 30, 2010	For the year ended December 31, 2009	For the year ended December 31, 2008
Professional fees	$134,989	$96,954	$26,305
Filing fees	$24,338	$7,186	$3,751
Bank Fees	Nil	Nil	$15
TOTAL	$159,327	$104,140	$30,071

To September 30, 2010, Eurotin has no deferred acquisition costs. Since the completion of its interim period ended September 30, 2010, management of Eurotin estimates that Eurotin has incurred additional costs of approximately $78,671 in general and administrative and professional expenses and initial fees of the Exchange in pursuing the Transaction.

As of the date of this Filing Statement, Eurotin has a cash balance of approximately $16,397. Eurotin estimates that its additional cash expenditures in pursuing the Transaction, including legal fees and filing fees will be approximately $40,000.

Management's Discussion and Analysis

Eurotin's management's discussion and analysis for the year ended December 31, 2009 is incorporated by reference and attached to this Filing Statement as Schedule "C", and should be read in conjunction with Eurotin's audited financial statements for the year ended December 31, 2009 and notes thereto also incorporated by reference and attached this filing Statement as Schedule "A".

Eurotin's management's discussion and analysis for the interim period ended September 30, 2010 is incorporated by reference and attached to this Filing Statement as Schedule "D", and should be read in conjunction with Eurotin's unaudited interim financial statements for the interim period ended September 30, 2010 and notes thereto also incorporated by reference and attached to this filing Statement as Schedule "B".

Description of the Securities

The authorized capital of Eurotin consists of an unlimited number of Eurotin Shares without par value. As at the date of this Filing Statement, there are 10,092,500 Eurotin Shares issued and outstanding. The holders of Eurotin Shares are entitled to vote at all meetings of shareholders, to receive dividends if, as and when declared by the directors and to participate rateably in any distribution of property or assets upon the liquidation, winding-up or other dissolution of Eurotin. The Eurotin Shares carry no pre-emptive rights, conversion or exchange rights, or redemption, retraction, repurchase, sinking fund or purchase fund provisions. There are no provisions requiring the holder of Eurotin Shares to contribute additional capital and no restrictions on the issuance of additional securities by Eurotin. There are no restrictions on the repurchase or redemption of Eurotin Shares by Eurotin except to the extent that any such repurchase or redemption would render Eurotin insolvent.

Stock Option Plan

Eurotin has no options to purchase Eurotin Shares currently outstanding. However, the Resulting Issuer will have a Stock Option Plan upon the completion of the Qualifying Transaction. See "Information Concerning the Resulting Issuer – Stock Option Plan and Options to Purchase Securities" below.

Prior Sales

Since Eurotin's date of incorporation, 10,092,500 Common Shares have been issued as follows:

Date Issued	Number of Shares	Issue Price per Share	Aggregate Issue Price	Nature of Consideration
August 23, 2008(1)	2,400,000	$0.05	$120,000	Cash
October 6, 2008(1)	4,050,000	$0.05	$202,500	Cash
June 15, 2009(2)	3,642,500	$0.10	$364,250	Cash

Notes:

(1) All of these Eurotin Shares were placed in escrow pursuant to the CPC Escrow Agreement in accordance with the policies of the Exchange. See "Information Concerning the Resulting Issuer – Escrowed Securities".

(2) These Eurotin Shares were issued pursuant to Eurotin's initial public offering. The Eurotin Shares commenced trading on the Exchange on July 2, 2009.

Stock Exchange Price

The Eurotin Shares were first listed for trading on the Exchange on July 2, 2009. Trading in the Eurotin Shares was halted on September 21, 2009 pending the announcement of the letter of intent concerning the proposed Amalgamation being announced and remains halted as of the date of this Filing Statement**.**

The following table sets forth the monthly high and low trading prices of the Common Shares and the monthly volume, since July 2, 2009:

Month	High Trading Price ($)	Low Trading Price ($)	Monthly Volume (#)
March, 2011	nil	nil	nil
February, 2011	nil	nil	nil
January 2011	nil	nil	nil
December 2010	nil	nil	nil
November 2010	nil	nil	nil
October 2010	nil	nil	nil
Third Quarter 2010	nil	nil	nil
Second Quarter 2010	nil	nil	nil
First Quarter 2010	nil	nil	nil
Four Quarter 2009	nil	nil	nil
Third Quarter, 2009	0.15	0.11	329,000

Arm's Length Transactions

The Transaction is not a Non-Arm's Length Qualifying Transaction.

Legal Proceedings

Eurotin is not involved in any legal proceedings and no such proceedings are known to Eurotin to be contemplated.

Auditor, Transfer Agent and Registrar

The auditor of Eurotin is Shimmerman Penn LLP Chartered Accountants, located at 30 St. Clair Avenue West, Suite 400, Toronto, Ontario M4V 3A1.

Equity Financial Trust Company, 200 University Avenue, Suite 400, Toronto ON, M5H 4H1, with its head office in Toronto Ontario, is the transfer agent and registrar for the Common Shares.

Material Contracts

Eurotin has not entered into any contracts material to holders of the Eurotin Shares since incorporation, other than:

1. the Amalgamation Agreement;

2. the Agency Agreement dated as of March 13, 2009 between Eurotin and Canaccord Capital Corporation in respect of the initial public offering;

3. the Transfer Agency and Registrarship Agreement dated November 18, 2008 between the Eurotin and Equity Transfer and Trust Company, as Registrar and Transfer Agent; and

4. the Escrow Agreement effective as of March 13, 2009 among the Eurotin, Equity Transfer & Trust Company, as the escrow agent, and those shareholders that executed such Escrow Agreement.

Copies of these agreements will be available for inspection at the registered office of Eurotin at Suite 1600, 320 Bay Street, Toronto, Ontario, M5H 4A6 during ordinary business hours until the Closing Date and for a period of 30 days thereafter.

INFORMATION CONCERNING STANNICO

GENERAL

Corporate Structure

Stannico was incorporated on October 9, 2008 as 2187223 Ontario Inc. under the OBCA and articles of amendment were subsequently filed on December 18, 2008 to change the name to Stannico Resources Inc.

The registered and head office of Stannico is located at 320 Bay Street, Suite 1600, Toronto Ontario, M5H 4A6. Stannico has a wholly owned subsidiary called Minas de Estano de Espana, S.L.U. that was incorporated under the laws of Spain.

General Development of the Business

Peter Miller incorporated Stannico pursuant to the OBCA with the goal of pursuing mining interests in Spain. Between the date of incorporation of Stannico and the date hereof, Stannico completed private placements of units consisting to raise the working capital to begin its exploration work in Spain. For a description of the exploration activities that have been undertaken by Stannico through MEE to date, please refer to the headings “The Property-Exploration” and “The Property- Drilling”.

Narrative Description of the Business of Stannico

The business activities of Stannico are primarily focused on the acquisition, exploration and development of resource properties in Spain.

On February 15, 2008, Stannico acquired the right to earn a 50% direct interest in the Oropesa Property from Sondeos y Perforaciones Industriales del Biezro, SA (“**SPIB**”). The Oropesa Property is situated in Spain within the

North East part of the Region of Andalucía.

Stannico can earn a 50% direct interest by spending €1,500,000 on exploration over a three year period. A further 50% interest can be acquired by:

(a) granting SPI a 1.35% net smelter royalty, paying the vendor 0.90% of the value of metal in reserves at the time of feasibility;

(b) paying the vendor 0.90% of the value of the metal reserves at the time of feasibility; and

(c) in the event of commercial production Stannico has committed to issue to SPIB 4% of the equity of the entity developing and mining the Oropesa Property.

In order to keep the right in good standing Stannico must make annual lease payments of €18,000 (C$27,074 as at December 31, 2009).

On March 18, 2008, Stannico entered into an option agreement with Minas Tenidas S.A.U ("**MATSA**") whereby MATSA can earn a 25% interest in the Oropesa Property. In order to earn its interest MATSA must reimburse Stannico double the amount of expenses incurred by Stannico in bringing the Oropesa Property to pre-feasibility status.

The purpose of this option agreement is to provide MATSA the opportunity to participate directly in the Oropesa Property at the time of completion of a pre-feasibility study. This agreement is in effect for 36 months from the date of signing, automatically renewable on a one year basis. In the event MATSA exercises the right granted in this option agreement, then MATSA irrevocably commits to refund its 25% direct share of expenditures required to complete a bankable feasibility study.

On August 8, 2008 Stannico entered into a letter of intent to form a joint venture with QEM. QEM owns the title and exploration permits named "Gloria" and "Santa Maria". The term of the letter of intent is 18 months. If Stannico exercises its option, after the incorporation of a joint venture, Stannico will pay to QEM the equivalent of US$200,000 in Stannico Shares. The number of shares to be delivered to QEM will be determined by the average price of the shares of Stannico (or any successor entity) trading on the Exchange during the last 10 days prior to the exercise of the option. Subsequent to December 31, 2008 the Company informed QEM of its intent to exercise its option.

On December 11, 2010 Stannico and QEM entered into a definitive agreement whereby the two will form and enter into a joint venture as it relates to the Santa Maria property. In lieu of the US$200,000 payment required in the original agreement as noted above; Stannico will issue 1,386,667 Stannico Shares at a deemed price of $0.15 per share. The issuance of such shares will take place upon completion of the proposed Qualifying Transaction. Upon issuance of these shares Stannico will have a 60% interest in this joint venture

THE PROPERTY

PROPERTY DESCRIPTION & LOCATION

The Oropesa Property is located in Cordoba province, Region of Andalucia, southern Spain, approximately 110 km north northeast from the city of Seville, and 75 km northwest from the city of Cordoba, the provincial capital (Figure 1). Approximate geographical coordinates for the property centre are 19^{o} 00.0' north latitude by 5° 28.5' west longitude. It consists of Investigation Permit Oropesa number 13.050, comprises 78 "cuadricula mineras" (defined below), and totals 23.4 km^2). The property was issued for base and precious metals according to Section "C" of the Spanish Mining Act. It overlies Investigation Permit Guadiato IV issued under Section "D" for coal. To the west, it abuts Investigation Permit El Romeral issued under Sections "C" and "D", and to the east, it abuts State Reserve 379. The investigation permit on the Oropesa Property expired on January 31, 2011 and MEE is currently in the process of getting this renewed. The renewal process involves the payment of a nominal fee and providing proof that sufficient exploration work has been carried out. It is one of the Exchange's conditions to close the Transaction that the investigation permit on the Oropesa Property be renewed.

The property boundary has not been surveyed, and is not required to be surveyed. It is defined (in accordance with Spanish law) by geographical coordinates (Table 1).

Table 1
Oropesa Investigation Permit 13.050 - Boundary Corner Points

Point	West Longitude	North Latitude
1	5° 31' 00"	38° 20' 00"
2	5° 27' 00"	38° 20' 00"
3	5° 27' 00"	38° 17' 40"
4	5° 29' 00"	38° 17' 40"
5	5° 29' 00"	38° 18' 00"
6	5° 31' 00"	38° 18' 00"

According to the Spanish Mining Act (enacted in 1973), title to mining land may be held as an Exploration Permit (Permiso de Exploracion), an Investigation Permit (Permiso de Investigacion) or a Mining Concession (Concesion Minera). Mining land comprise blocks called "cuadriculas mineras", and each cuadricula minera measures 00° 00' 20" per side. Boundaries are aligned astronomic north - south and east - west.

Exploration Permits ("**PE**") are issued for work using techniques that do not substantially alter the configuration of the land; ie research, regional surveys. They are issued for a one year period, and may be extended once. The minimum area for a PE is 300 cuadriculas mineras while the maximum is 3000 cuadriculas mineras.

Investigation Permits ("**PI**"), maximum allowable size 300 cuadriculas mineras, are required to conduct exploration activities, and are granted for a 3 year period with the anniversary date deemed to be the date that the permit was granted. The permit holder must submit to the government a work proposal and budget for each year of the 3 year period. Any under expenditure or curtailing of the work program must be justified. If, in the opinion of the government, the permit holder has not made sufficient effort to undertake the proposed work, the PI may be revoked. Technical reports of all work undertaken must be submitted to the government. A small fee is payable along with the submission of a summary report of work undertaken, and nominal taxes are payable yearly. Two, 3 year period extensions may be requested to continue exploration, but must be justified. If the extension(s) is (are) accepted, the work proposal and budget submission process must be repeated. In exceptional circumstances, additional extensions may be requested.

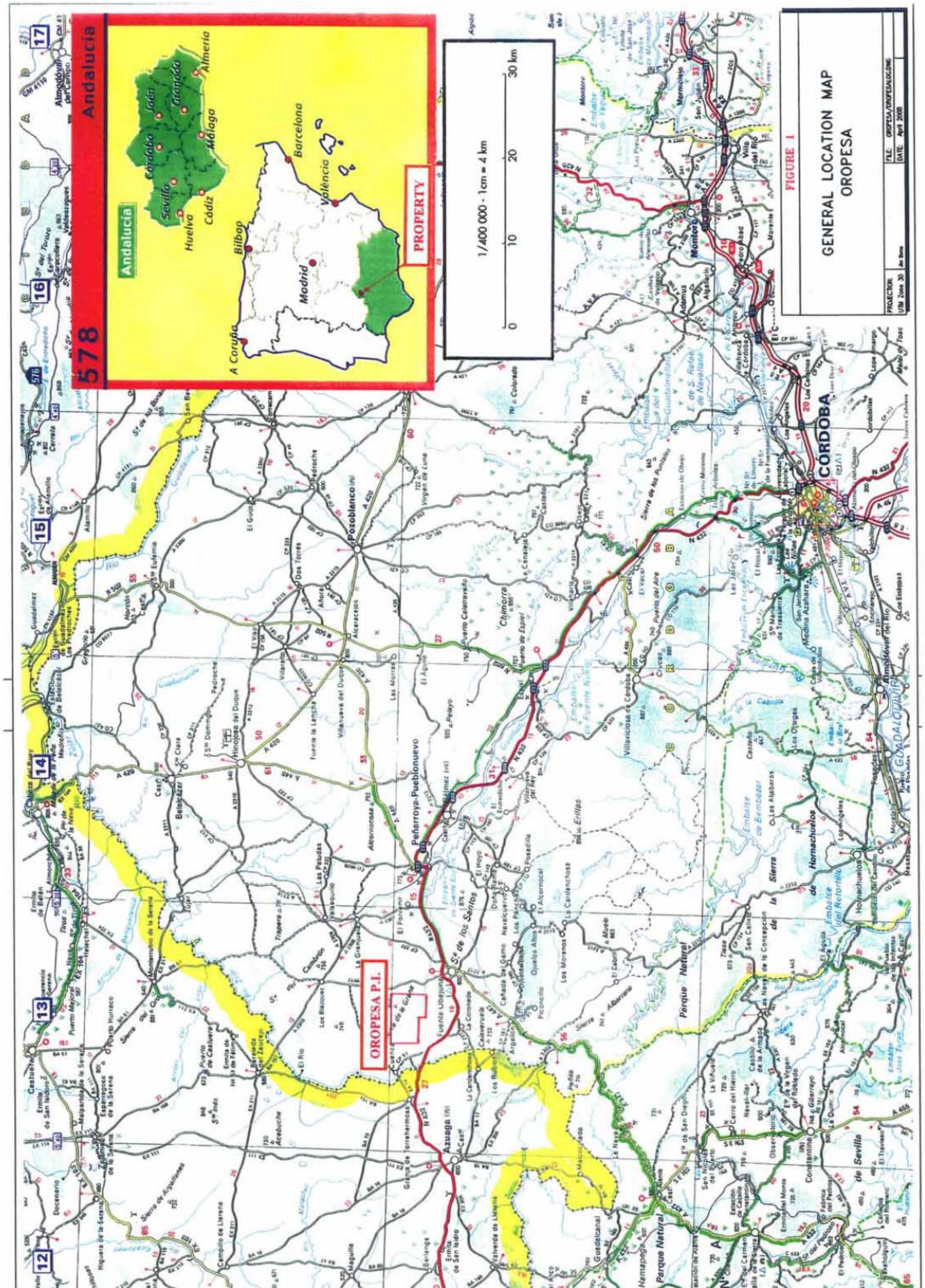
Once an economic mineral deposit has been defined, the permit holder may apply for a Mining Concession (MC) for which the maximum size is 100 cuadriculas mineras. The MC may constitute only a portion of the PI, while the remainder of the PI remains as such. Boundaries of MCs, like PIs, are also aligned N - S and E - W and measure 0° 00' 20" per side. To obtain an MC, the permit holder must submit a mining plan, feasibility study, environmental impact study ("**EIS**") and a restoration plan ("**RP**"). The EIS and RP must be approved by the governmental environment ministry. A mining concession is issued for 30 years, and may be extended twice. Should the economics of a project change negatively, the permit holder may apply for a "suspension of work" for a three year period, and must re-apply every three years.

The Oropesa Investigation Permit was granted to SPIB on January 31, 2008. Subsequently, on February 15, 2008 SPIB entered into a "Rental and Sale - Purchase" contract (in effect an earn in agreement) with MEE by which MEE could acquire a 100% to the mineral rights (as defined by Section "C" of the Mining Act) according to the following terms and conditions.

To earn an initial 50% interest to the Oropesa property mining rights, MEE must over a three year period that has been extended to December 31, 2011:

● Pay SPIB €18,000 annually; and
● Conduct a minimum of €1,500,000 in drilling and other exploration expenditures. Total expenditures to January 15, 2011 were approximately €1,100,000

To obtain the remaining 50% interest MEE may at its option either
● Grant SPIB a 1.35% NSR royalty;
● Pay SPIB 0.9% of the contained metal in reserves at the time of feasibility.


578
Andalucía
PROPERTY
1/400 000 - 1cm = 4 km
0
10
20
30 km
OROPESA P.I.
CORDOBA
FIGURE 1
GENERAL LOCATION MAP
OROPESA

Other Obligations

● MEE will employ SPIB as the drill contractor as long as the terms and conditions are competitive with the prevailing industry rates; and
● At the time of commercial production, SPIB will be granted a 4% equity interest in MEE.

It is the professional legal opinion of MEE's Spanish legal counsel that MEE holds a three year lease (now extended to December 31, 2011), to acquire a 50% interest to the mineral rights of the Oropesa Investigation Permit (#13.050) once all the obligations (listed above) are fulfilled, and an option to acquire a further 50% direct interest (ie. 100% in total). MEE's only other obligations are with respect to the Oropesa Investigation permit are:

● Pay to the government all fees and taxes as stipulated in the Mining Act;
● Execute a public deed and apply to the Mining Authorities to authorize; and
● Perform all exploration work proposed in the current Plan de Labores.

Furthermore, by an agreement between MEE and MATSA dated March 13, 2008, MATSA will provide exploration and other technical services to MEE, at cost, for a 3 year period. In return, MEE shall give MATSA a 45 day exclusive right from the date of receiving a pre-feasibility study a one time opportunity to earn a participating 25% interest to the Oropesa property by reimbursing MEE 200% of the costs incurred up to that time.

There are three known tin occurrences on the property. All are located a minimum of 1 km from any property boundary**.**

On December 27, 2010 SPIB filed with the Junta de Andalucia a report that summarized the exploration work completed in 2010 and a proposed exploration program for 2011 - 2012 that included trenching, geological mapping, core and reverse circulation drilling, drill core and drill chip logging, assaying, plus associated office support. The cost for the proposed program is estimated to be approximately € 419,200. Estimated cost of work for the ensuing two years are € 485,600 for 2012-2013 and € 419,200 for 2013-2014 respectively.

The property is situated approximately 30 km north of Nature Park Sierra de Hornachuelos in Andalucia (Figure 1) and 100 km southeast of Nature Park de Cornalvo (near Merida) in Extremadura Region. It is the opinion of MEE's legal counsel that both parks are sufficiently distant from the property that their existence should not be a factor to affect exploration work nor any future mining activities.

No permits are required to conduct basic exploration activities such as geological, geophysical or geochemical surveys, or trenching. Permits must be obtained from the relevant Consejeria (ministry) of the Junta de Andalucia in order to conduct exploration activities such as drill operations or any large scale stripping or bulk sampling program. For the current drill program the required permit has been obtained.

Surface rights covering the Oropesa property are held by several farm owners. Although mining rights holders have the right to temporarily occupy the land in order to conduct exploration work, permission from the surface rights holders must be obtained prior to conducting any exploration activities. The usual practice is to reach a satisfactory agreement with the surface rights holder(s). In the event that access permission cannot be negotiated with the property owner, the exploration company can apply for a "temporary occupation" order from the courts. This process takes 6 to 9 months to complete, but the land owner has no defence, and if necessary, the court order will be enforced by the police. In effect, the land owner cannot stop the exploration process. Once a decision to put a mine into production has been made, the mining rights holder can expropriate the surface rights. For the Oropesa PI, MEE has concluded access agreements with the key surface rights holders.

The property area is used for pig and sheep farming. There have been no industrial activities conducted on the property, therefore there are no environmental liabilities attached thereto. The existence of an ~15 m deep, unprotected shaft / pit that has been used, presumably by the local farmer, for garbage disposal was noted during the property visit, and as this shaft represents a potential public safety hazard, the situation has been brought to the attention of MEE personnel.

ACCESS, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE & PHYSIOGRAPHY

There is paved road access to within 3 km of the property and vehicle access onto and across the property. From Seville, the regional capital, travel north on highway A-66 / E-803 for 133 km to highway N-432 junction. Continue eastward on N-432 for 96 km to the town of Fuenta Obejuna. At Fuenta Obejuna drive north towards the town of Los Blazquez on highway CO-9012 for 1.8 km to an intersection with a farm access road which leads north westward onto the property. Branch tracks and trails therefrom provide convenient access to all parts of the property (Figure 1).

The area experiences a modified Mediterranean climate characterized by short, mild winters and long, dry, hot summers. Daily temperatures (day and night) average 12°C from December through to February and 28°C in July and August. Total precipitation is about 640 mm, of which approximately half falls during the months of January to March. Normally, exploration and mining (both open pit and underground) may be conducted year round.

Andalucia boasts a long, rich mining history. Supplies and services required for both exploration and mining may be acquired in Seville - 110 km SSW (population ~1,000,000), Huelva - 140 km SW (population ~150,000), Cordoba - 75 km SE (population ~240,000), and Penarroya - Pueblonuevo - 16 km E (population ~15,000). A pool of professionals as well as skilled and semi skilled labour for both exploration and mining activities exists in these centres and in the many smaller, neighbouring towns. The area is laced with dual and multi-lane paved highways as well as tertiary gravel roads and farm tracks. Power transmission lines of various voltage capacity exist throughout the district. The nearest rail head is at Penarroya - Pueblonuevo some 16 km east of the property.

On the property, there is sufficient space for a mine, an on site mill, all ancillary buildings, tailings pond, etc. There are several water courses located on the property and in the immediate area that might be used to supply an adequate amount of water for exploration purposes, but reservoirs will probably be required for any mining operation.

Infrastructure on the property consists of several farm buildings, numerous dirt roads and farm tracks, a power line that serves the various farms, and a communication tower on Sierra de la Grana.

Topography on the property and in the general area is modestly rolling. On the property, the elevation ranges from ~550 m where the Arroyo Majavacas intersects the property east boundary to ~811 m at the summit of Sierra de la Grana in the property's north central quadrant. Soil cover thickness, where exposed in trenches, is generally less than 1 to 3 m, but may be more along stream beds. The area is used primarily for pig and sheep farming, although some fields are planted with grain crops. At lower elevations where farming is undertaken, the principal tree specie present is oak (the acorns are used as pig food prior to the animals being sent for slaughter). Undercover is generally sparse, typically thorn bushes and other shrubs. Sierra de la Grana, however, is thickly covered with jara bushes.

EXPLORATION HISTORY (pre MEE)

General

The general Ossa-Morena area (see "The Property- Geology", below) has a long mining history. There is evidence that ancient cultures worked small Cu-Ag veins some 2000 years, B.C. Later, the Romans exploited many of the deposits that outcropped, including Pb-Ag veins of the area and, Cu-Au veins about Llerena (~45 Km W of the property). A Roman city, the ruins of which are located at Reina 40 km WSW of Oropesa, was apparently a taxation centre for the agricultural and mining industries of the district. After the Roman period, there is little evidence of extensive mining activities until the 1500's when some Cu-Au veins were exploited. Between 1848 and 1945 many mines exploited Pb-Ag veins in the Azuaga-Berlanga area 20 - 30 km W of Oropesa. To the east of the property, coal was mined from the mid 1800's and terminated only recently.

Regional and Property Exploration

The government agency Instituto Geologico y Minero de Espana ("**IGME**") is the only entity known to have conducted exploration on the Oropesa property. There is no evidence, either physical or recorded, to indicate that production of any mineral commodity has been attained from the Oropesa property.

Medieval Times / Pre-Recorded History Unknown Workers

Two small (~3 m diameter) piles of slag ~10 m apart are located approximately 50 m north of drill hole collar OR-01 (in the central area of the Oropesa tin deposit). Both are level with the ground thus indicating that they are old to very old, and possibly date from medieval to earlier times. At the most easterly area, the slag is mainly cobble size (6 - 10 cm in diameter), while at the western most area pieces are generally no larger than 2 - 3 cm in diameter. Cobble to boulder size pieces of vuggy quartz vein are strewn about the immediate area. There are indications that the material may have been broken at site prior to being smelted. No evidence for the furnace remains.

Probable last Century Unknown Workers

Two hand dug shafts approximately 10 m apart (also in the central area of the Oropesa tin deposit) are located some 300 m to the east of the slag area. The more southerly is an estimated 15 m deep, and measures ~3.5 x 2 m in area, whereas the more northerly is only 1.5 m deep by 2 x 1.5 m. As the spoil piles beside each shaft are still heaped, the workings are obviously much younger than the areas of slag. There is no record as to who dug the shafts or why. There are pieces of vuggy quartz vein in the spoil pile beside the deeper shaft.

1969 - to Late 1990 Instituto Geologico y Minero de Espana (IGME)

In this time frame, IGME conducted multi disciplined exploration programs in the general region, and over and about the present Oropesa property in particular. The regional programs mainly comprised geological mapping at 1:50,000 scale, plus stream sediment geochemical surveys. This work led to the discovery of tin on the present Oropesa property. Unfortunately, the programs on the Oropesa property ended with some aspects of the exploration not being fully reported upon, and some reports have gone missing.

The following chronological exploration history is a summary of the reports plus numerous additional maps, plans and sections that are available. Some details on portions of the exploration program conducted by IGME were provided verbally by Sr. Francisco Jose Montero Caballero who is the director of the "Litoteca de Sondeos" facility in Penarroya-Pueblonuevo. All data for the project are stored at the "Litoteca de Sondeos" facility in Penarroya-Pueblonuevo, including some reports, maps-plans-section, drill core, geochemical and core sample pulps and rejects, as well as bags of crushed rocks and drill core that were prepared for metallurgical test work but never used.

Regional Area

(1969 - 1980)

Various phases of geological mapping were conducted on State Reserves in the general area (Delgado Quesada, 1984). This work culminated in the discovery in 1979 of the El Paredon poly-metallic sulphide Cu-Pb-Zn-Ag-Au deposit located some 15 km SSE from Penarroya-Pueblonuevo within lower Carboniferous volcano-sedimentary series rocks.

(1982)

Geological mapping at 1:50,000 scale was completed for the Penarroya - Pueblonuevo map sheet # 879 (which covers the Oropesa property), and the resultant report (IGME, 1985) was published in 1985. The surrounding map sheets were mapped at about the same time. Concurrent with the mapping program, a stratigraphic synthesis was undertaken of the Carboniferous rocks of the region. It was during the mapping program that the Oropesa tin mineralization was first identified and determined to occur in a carbonatized detrital unit of lower Carboniferous age. Furthermore, two types of vein systems in the region were recognized; a) veins of galena and fluorite with minor chalcopyrite and / or barite, and b) banded copper-tin veins such as the Oropesa deposit (Delgado Quesada, 1984).

Oropesa Property & Immediate area

(1983 - 1990)

Exploration on the Oropesa property was centred upon two Sn areas - Oropesa and La Grana. La Grana is situated approximately 1.5 km N of Oropesa. Elements of the exploration program conducted included, 1) detailed geological mapping, 2) stream sediment geochemical survey, 3) panned stream sediment geochemical survey, 4) soil geochemical survey including a test study, 5) ground Induced polarization / resistivity, magnetometer and VLF electromagnetic surveys, 6) a helicopter borne magnetic- electromagnetic-VLF electromagnetic survey, 7) trenching, **8)** core drilling and **9)** mineralogical / metallurgical test studies. The exploration conducted was concentrated on two tin mineralized areas - Oropesa and La Grana. However, the geological compilation and detailed mapping, the stream sediment survey, and the airborne geophysical survey covered the entire property plus extensions therefrom. Much of this exploration work was completed in overlapping multi-phases. Summaries of work undertaken and results follow, and are based upon Delgado Quesada (1984) (the only project summary report available), various maps on file in Litoteca de Sondeos facility in Penarroya-Pueblonuevo, geophysical reports for surveys conducted and personal communication with Sr. Francisco Jose Montero Caballero and others of his staff.

Geological Compilation

All geological information for the Fuente Obejuna Reserve (Area 1) was compiled at 1:25,000 scale. It was apparent that the Carboniferous stratigraphy in the Oropesa area was problematic, and that the scale of mapping available was insufficient for exploration purposes.

Detailed Geological Mapping Survey

Geological mapping was conducted over the entire property plus general area between 1982 and 1988, but only a report for a portion of the mapped area is available. The carbonatized detrital host unit for the tin mineralization comprising mainly conglomerate and arenite rocks was successfully traced across the property. Several NE to NNE faults were interpreted to cut the host unit. More details are presented in the sub-heading titled “Local and Property”.

Stream Sediment Geochemistry Survey

Approximately 130 samples were collected from an ~115 km^2 area including the entire property and along strike to the east and west. This work was completed in two phases, but only the first phase (for 80 samples) is reported upon by Delgado Quesada (1984). Results for the remaining samples are in map form only. It is assumed that in the subsequent phase the same exploration procedures were followed. These samples were analyzed for Cu, Pb, Zn and Sn. No details are available as to how the samples were collected nor of the analytical methodology. Values obtained across the entire area sampled ranged between 6 and 147 ppm Cu, <10 and 183 ppm Pb, 10 and 140 ppm Zn, and <10 and 650 ppm Sn. By far, the best tin values were found in the area of the Oropesa tin deposit. The better Cu, Pb and Zn values do not necessarily correlate with the higher tin values and vice versa.

An additional 36 samples were collected from the same area, and were concentrated first by panning, then heavy liquid separation and finally using a Frantz magnetic separator. Descriptive information is only available for the original 20 samples which were collected in the southeastern third of the Oropesa property and a similar sized area adjoining to the east. Samples were examined for their mineralogical content using a binocular microscope at Granada University by Dr. D. Antonio Arribas. Cassiterite was identified in 13 samples, and in amounts rated (by him) as “abundant” or “frequent” in 5 of the samples. There is no apparent correlation with other minerals. As to be expected, the best results were obtained from samples immediately down stream from the Oropesa tin deposit (#2, 3, 4 & 7). One highly anomalous sample (#9) was collected north of the Oropesa tin deposit, and is most probably related to the La Grana tin occurrence. Interestingly, samples #10, 11, 12 & 13 tested the east end of the Sierra de la

Grana, and all contained trace to rare amounts of cassiterite. Sn values for the remaining samples are only available in map form.

Combined Airborne Magnetic, Electromagnetic and VLF Survey

This helicopter borne survey was flown by Aerodat Ltd., based in Mississauga, Ontario, in December 1987 and January 1988. On board geophysical equipment included an Aerodat 4 frequency electro-magnetic system, a Totem 2A VLF unit (tuned to Rugby, England at 16.0 KHz), and a Scintrex VIW-2321 H8 magnetometer (towed 12 m below the helicopter). Lines were flown at 030^o, at an average ground clearance of 60 m, and normally spaced 400 m apart, but in certain areas at 200 m intervals. The area flown covered ~160 km^2, including all of the Oropesa property.

Total magnetic variation across the area flown was approximately 400 nT. Across and about the property area, the contoured magnetic data are aligned in a general E-W to ESE-WNW direction, and are relatively regular except in the Sierra La Grana - Oropesa area where they are disrupted by a low amplitude (<6 nT), 2000 m long by 1000 m wide oval shaped magnetic high. Associated with this oval feature is a small, apparent resistivity high. One electro-magnetic anomaly appears coincident with the Oropesa tin deposit while another appears to extend westward from the La Grana occurrences.

Test Soil Geochemical Study

In ~ 1989 - 1990, IGME undertook a test soil geochemical survey across the Oropesa deposit and the two La Grana tin occurrences in an effort to determine the multi-element signature of the deposit and the basic parameters such as soil horizon to be sampled - the ideal sample grain size fraction to be analyzed, and minimum sample density for a regional survey. At the Oropesa tin deposit area, the survey covered 1.2 km^2. Samples were collected on 11 lines 1200 m long spaced 100 m apart and oriented at 030^o. Only 2 short lines (~500 m long) were sampled in the area of the La Grana tin occurrences. Line direction and sample density were the same as those in the Oropesa area. The upper "B" soil horizon was sampled, except in areas of outcrops where a surface soil sample was collected, and the -80 mesh fraction (-0.177 mm) for all 575 samples collected were sent for analysis. In addition at the Oropesa tin deposit, 23 holes 1.5 to 2 m deep were dug with an excavator, with 69 samples collected from the "A", "B" & "C" horizons. These 69 samples were screened to produce 3 fractions each; -0.250 /+0.177 mm, -0.177 / +0.125 mm and < 0.125 mm. All samples were analyzed for a suite of 23 metallic elements, 20 by ICP and the other 3 elements (including Sn, W and F) by colorimetry, and the results treated statistically. Conclusions from this study were that:

- The -80 mesh (-0.177 mm) material from the A-B soil interface is acceptable material.
- The treated data identified not only the Sn zones, but also the hydro thermal alteration associated therewith.
- The mineralization and / or hydrothermal alteration zone is detectable at a sample density of 100 x 250 m.

Oropesa Tin Deposit Area

A semi regular grid of 25 lines spaced +/- 100 m apart and oriented at 020^o was established in the Oropesa deposit area. The results for the geochemical surveys, plus the locations of the trenches and drill holes are shown on Figure 7 of the Technical Report. The relative location of the grid vis a vis the property boundary is presented as Figure 8 to the Technical Report.

Soil Geochemistry Survey

A total of 665 soil samples were collected at 25 m spacings along the grid lines. Work was completed in two phases, but results for only the first phase of 400 samples are reported upon by Delgado Quesada (1984). It is assumed that during the subsequent phase(s) the same exploration procedures were followed. Line lengths varied from 500 to 1300 m, but the grid basically covered the Oropesa deposit stratigraphy over a 2500 m strike length. The soil horizon sampled is not stated in the Delgado Quesada (1984) report. Samples were analyzed for Sn, Cu, Pb and Zn at a commercial laboratory named "Laboratorios Almeria, S.A." (Laboral) by atomic absorption (AA) methodology. Whether or not the laboratory was ISO certified at the time is not known. A statistical analysis of the data set revealed anomalous to highly anomalous values to be >134 ppm for Cu, >383 ppm for Pb, >432 ppm for Zn and >522 ppm for Sn.

Results of the survey delineated a large anomalous area (as defined by the 125 ppm contour) roughly 2000 m long NNW / SSE by 200 to 700 m wide within which three distinct anomalous centres of higher Sn values were detected. The Western centre is represented by two stations over a 100 m strike length with values of 1120 and 1300 ppm Sn respectively. Sn values drop off rapidly in all directions. There are anomalous correlating Cu & Pb values. The Central centre also about 100 m long with three high values of 645, 1790 and 570 ppm Sn. It strikes more or less east - west, and aligns with the Western centre. Anomalous Cu and Zn values are coincident with Sn. The Eastern centre is the largest. It is about 150 m wide by about 350 m long, but thins out rapidly along strike to the northeast and southwest. Values range from 580 to 2300 ppm Sn, with Cu, Pb and Zn values coincident with Sn. All three Sn centres lie within a very broad, low to moderately anomalous zone extending in a WNW direction for 2000 m. Interestingly, there are elevated Sn values at the very north end of the grid lines near the base of the Sierra de la Grana. These values may reflect indications for a second band of mineralization, either that of La Grana occurrences to the north, or possibly related to the contact between the Devonian and Carboniferous stratigraphy at the base of Sierra de la Grana.

IP - Resistivity Geophysical Survey

A 10.075 km, pole - dipole survey was completed in two phases (1983 & 1985) along ten of the geochemical grid lines. The first phase was reported upon by Delgado Quesada, (1984), whereas data for the second were obtained from plans and sections. The “a” spacing between the potential electrodes for both phases was 25 m. In the first phase, the distances used from the current electrode to the nearest potential electrode were 150 and 300 m, and for the second phase 100 and 200 m. No details are available as to the type of instrumentation used. Results were tabulated in Burns, 2010 (Table 2). In general, there is a positive correlation between chargeability anomalies and Sn geochemical anomalies.

VLF Electromagnetic and Magnetometer Surveys

These surveys, as reported upon by Garcia Lubon (1986) and Martinez Molono (1986), totalled 14.775 km each, and were conducted across the mineralized Sn horizon including the three anomalous geochemical areas for a strike length of 1.9 km. The instruments used were a Geometrics G-816 magnetometer and a Scintrex Scopas SE-81 VLF receiver. The VLF transmitter station is not indicated. Readings were taken at 25 m intervals on lines 100 m apart. Lines parallelled the geochemical grid lines. Data were smoothed using a moving average method.

Four VLF electromagnetic conductors were identified. Three run more or less east -west, and are associated with the geochemical anomalies and with the mineralized zones. The fourth runs along the road in a general NW direction and may be due to cultural influences (fence). Results for the magnetic data are inconclusive.

Trench Excavation and Sampling

Between 1982 and 1986, 26 trenches with a cumulative length of 2681 m were dug to bedrock on the Oropesa Sn deposit (Delgado Quesada, 1984, plus trench sections). Locations of the trenches are shown on Figure 7 of the Technical Report. Most were oriented at approximately 020^{o}, and were dug into rock with a maximum depth penetration of ~3 m. The purpose of the first 9 trenches appears to have been to expose mineralization after the initial discovery, and for the remaining 14 to test geochemical and / or geophysical anomalies.

All trenches were mapped in detail, but systematic sampling was only conducted on the last 14, however there is no description of the sampling methodology except as noted on the sections; ie. that the samples were of rock, and were taken over 2.5 to 12 m lengths. Samples were assayed at the IGME laboratory in Madrid, by XRF methodology. General information with respect to the trenches were summarized in Burns, 2010 (Table 3).

Core Drilling

Between 1983 and 1990, a total of 33 core holes with a cumulative length of 6913.55 m were drilled to delineated the Oropesa tin deposit. Most were drilled at 020^o. Drill hole locations are shown on Figure 7 of the Technical Report; note the drill hole prefix may be either S or OR for the first 27 holes and either SM or ORM for another 5 holes. General data for the holes are recorded in Table 2. Significant intercepts at 0.10% Sn cutoff are listed in Table 3, and results are discussed in the section titled "Mineralization". No report is available that describes the purpose and interpreted results for the overall drill program or individual holes. Also not available are interpreted cross sections, longitudinal section(s) or drill plan(s). Delgado Quesada (1984) reported upon holes OR-3, 4 & 6, but most information was obtained from graphic drill logs that are available for all holes except ORM- 4 & 5. Judging by the positions and spacings of holes OR - 1 to 27 vis a vis the geochemical and other data, these holes were designed to delineate the deposit and / or test geophysical anomalies. Holes ORM-1 to 5 and OROCU were drilled to obtain samples for mineralogical / metallurgical studies.

Down hole survey data for inclination variations are noted on the graphic drill logs, but the type of survey is not indicated. Drill hole collars were not surveyed. Instead, hole locations were transferred from aerial photographs onto topographic maps, and their coordinates and elevations estimated therefrom (Sr. F. J. Montero Caballero, pers. comm.). Several drill hole collars were noted during the first property visit. From these known points, any remaining drill hole collars (many have been destroyed by the farmers) should be readily located by triangulation.

Holes were collared HQ in size and reduced successively to NQ and to BQ as the hole progressed. There are no descriptive drill logs available. Data are presented only as graphic logs complete with core recoveries, unit descriptions (rock type, alteration, mineralization, presence of veins, structure, etc.), and assays. Sample intervals varied in length, crossed alteration, lithological and structural contacts, and seemed to be based more on core recovery than for any geological reason. There are sections of core with sulphide and / or suspected cassiterite mineralization noted that were not sampled. Samples were crushed, pulverized and otherwise prepared for assay at the IGME Litoteca de Sondeos facility in Penarroya-Pueblonuevo, and sent to the IGME laboratory in Madrid for Cu-Pb-Zn-Sn assay by XRF.

TABLE 2

IGME : Oropesa Tin Deposit Drill Hole Data

Hole No.	Year Drilled	Azimuth (mag)	Dip	Length (m)	x Coordinate*	y Coordinate*	Elevation (m)	Anomaly Tested
OR - 1	1982 / 83	20	60 N	181.10	283316	4243712	621	Central
OR - 2	1984	20	60 N	205.80	283173	4243806	614	West
OR - 3	1984	20	60 N	247.35	283742	4243268	602	East
OR - 4	1984	20	60 N	157.50	283220	4243745	620	Central - W ext
OR - 5	1984	20	60 N	242.00	283124	4243689	615	West - W ext
OR - 6	1984	20	60 N	134.80	283099	4243779	620	West - E ext
OR - 7	1984	20	60 N	141.90	283121	4243686	618	West
OR - 8	1985	20	60 N	257.30	283610	4243450	612	Central - SE ext
OR - 9	1985	20	60 N	201.60	284065	4243980	598	East - SE ext
OR - 10	1985	20	60 N	175.05	283700	4243410	610	Central - SE ext
OR - 11	1985 / 86	20	60 N	244.20	283510	4243587	615	Central
OR - 12	1986	20	60 N	195.90	283710	4243520	615	Central - E ext
OR - 13	1986	22	50 N	200.65	283870	4242185	602	East
OR - 14	1986	20	50 N	180.95	283985	4242155	594	East - SE ext
OR - 15	1986	20	60 N	210.50	282903	4243860	623	West - NW ext
OR - 16	1986	20	60 N	201.85	282820	4243960	633	West - NW ext
OR - 17	1986	20	60 N	340.00	283667	4243361	605	East - W ext
OR - 18	1986	20	60 N	195.70	282720	4244007	637	West - NW ext
OR - 19	1986 / 87	37	60 N	400.00	283329	4243606	619	Central - W ext
OR - 20	1986 / 87	57	50 N	309.55	283918	4242926	584	East - SE ext

TABLE 2

IGME : Oropesa Tin Deposit Drill Hole Data

Hole No.	Year Drilled	Azimuth (mag)	Dip	Length (m)	x Coordinate*	y Coordinate*	Elevation (m)	Anomaly Tested
OR - 21	1987	20	50 N	300.85	283200	4243656	616	West - E ext
OR - 22	1987	215	60 S	253.45	283914	4243208	598	East - SE ext
OR - 23	1987	20	50 N	320.10	282882	4243765	614	West - W ext
OR - 24	1987	20	60 N	175.25	283090	4243796	621	West
OR - 25	1987	20	50 N	179.20	282792	4243852	620	West - W ext
OR - 26	1987	32	60 N	306.10	283486	4243751	628.2	Central
OR - 27	1987	37	50 N	270.20	283299	4243732	620	Central - NW ext
ORM - 1	1987 / 88	0	90	150.05	283241	4243791	622	West - E ext
ORM - 2	1987	0	90	150.20	283865	4243338	602	East
ORM - 3	1989	0	90	162.00	283035	4243818	621	West - NW ext
ORM - 4				213.30			622	
ORM - 5				242.30			610	
OROCU	1990	20	50 N	222.45	283835	4243830	625	
		Total IGME		**7369.15**				

* European 1950 datum, zone 30S

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TABLE 3
IGME : Oropesa Tin Deposit Drill Hole Assay Intercepts (0.10% Sn cut-off)

Hole No.	Zone	# of Assays	From (m)	To (m)	Length (m)*	% Sn
OR - 1	Central	62	11.20	13.00	1.80	**2.4**
			67.50	82.00	12.50	0.16
			106.00	117.00	11.00	**0.32**
			152.00	153.00	1.00	**0.88**
OR - 2	West	50	134.20	156.20	22.00	0.14
OR - 3	East	27	158.00	163.00	5.00	0.12
			201.30	231.30	30.00	0.13
OR - 4	Central - W ext	43	21.30	25.00	3.70	0.15
			49.00	50.45	1.45	0.12
			64.05	148.70	84.65	0.16
OR - 5	West - W ext	51	65.00	68.00	3.00	0.18
			143.00	145.00	2.00	0.11
			171.00	180.00	9.00	0.17
			221.00	223.00	2.00	0.12
OR - 6	West - E ext	40	41.70	124.00	82.30	**0.66**
OR - 7	West	35	0.00	8.00	8.00	0.17
OR - 8	Central - SE ext	65	107.40	116.00	8.60	0.12
			135.30	139.50	4.20	**0.2**
			153.95	187.00	33.05	0.14
			194.00	197.00	3.00	0.11
			212.00	243.40	31.40	0.18
OR - 9	East - SE ext	0				
OR - 10	Central - SE ext	26	14.00	19.00	5.00	0.12
OR - 11	Central	50	8.00	17.00	9.00	0.11
			21.00	33.00	12.00	**0.2**
			72.05	80.00	7.95	**0.23**
			166.00	169.00	3.00	0.12
			172.00	231.00	59.00	**0.39**
OR - 12	Central - E ext	5				
OR - 13	East	42	75.00	101.00	26.00	**0.49**
			108.00	108.70	0.70	**0.26**
			182.30	184.30	2.00	**1.19**
OR - 14	East - SE ext	1				
OR - 15	West - NW ext	40	13.00	21.60	8.60	**0.61**
OR - 16	West - NW ext	21	82.15	83.00	0.85	0.14
			133.00	136.00	3.00	0.18

TABLE 3
IGME : Oropesa Tin Deposit Drill Hole Assay Intercepts (0.10% Sn cut-off)

Hole No.	Zone	# of Assays	From (m)	To (m)	Length (m)*	% Sn
			152.00	155.00	3.00	0.11
OR - 17	East - W ext	82	98.00	100.00	2.00	0.15
			107.00	111.00	4.00	0.16
			154.00	158.00	4.00	0.17
			182.00	250.00	68.00	0.15
OR - 18	West - NW ext	5				
OR - 19	Central - W ext	68	18.75	22.00	3.25	0.13
			83.00	115.00	32.00	0.18
OR - 20	East - SE ext	15				
OR - 21	West - E ext	55	148.00	164.00	16.00	**0.24**
			182.00	192.00	10.00	0.17
OR - 22	East - SE ext	44				
OR - 23	West - W ext	58	304.00	306.00	2.00	0.11
OR - 24	West	25				
OR - 25	West - W ext	26				
OR - 26	Central	40	2.65	11.00	8.35	0.16
			45.65	53.15	7.50	0.14
			162.00	164.00	2.00	**0.42**
			233.00	235.00	2.00	0.14
OR - 27	Central - NW ext	71	8.00	46.00	38.00	**0.72**
			54.00	54.75	0.75	0.12
			58.75	62.00	3.25	0.13
			72.00	130.00	58.00	**0.29**
ORM - 1	West - E ext	49	53.60	108.40	54.80	**0.53**
			139.20	145.70	6.50	**0.35**
ORM - 2	East	50	60.70	86.85	26.15	**0.55**
ORM - 3	West - NW ext	21	24.00	36.00	4.00	**0.2**
			148.00	152.00	4.00	0.12
ORM - 4	Central					
ORM - 5	East					
OROCU		0				
		1167				

* Core length - true width not determined

Bold : >0.20% Sn

2nd page

Mineralogical / Metallurgical Studies

Work undertaken by IGME is described in some detail in two reports published in the Boletin Geologico y Minero (Alverez Rodriguez and Gomez-Limon, 1988, and Garcia Frutos and Ranz Boquerin, 1989). The summary following is taken from these two sources. Whether or not additional work was completed is not known.

Mineralogical studies were initiated in 1988. Studies included 1) screening a sample with a 0.284% Sn head grade into 8 fractions, and assaying the fractions for SnO^2, 2) separating certain size fractions by heavy liquid separation to produce density fractions and assaying / analyzing for SnO2, and major element oxides, and 3) examining certain products with an electron microscope. Conclusions reached from these studies were;

- The main tin mineral present is cassiterite;
- The size of the liberated cassiterite is small (10 - 20 µ) depending on the percentage liberated;
- Concentration by gravity means would be practically impossible;
- There would be problems with concentration by floatation means due to large amounts of iron oxides plus Mn and Ti oxides, plus heavy Fe and Zr silicates; and
- Specific solutions for the recovery of ultra fine cassiterite, such as flocculation or agglomeration, need to be explored.

Details regarding these studies are presented in Appendix IV to the Technical Report. Similar but more extensive mineralogical studies were undertaken in 1989 as well as magnetic separation tests and floatation tests. Details regarding these studies and tests are presented in Appendix IV to the Technical Report. Conclusions determined from the studies and tests were as follows:

- The mineralogical studies by the different techniques tried revealed the concentration problems that would be faced.
- The mid density heavy liquid separation studies indicated the impossibility of pre-concentrating cassiterite by gravimetric methods.
- The liberation size for the cassiterite, demonstrated by various means, is about 10µ.
- Magnetic separation as a preliminary stage prior to floatation eliminates only about 53% of the problematic iron oxides.
- The cassiterite in the non magnetic fraction is practically encased by iron oxides not eliminated, and which would impede the floatation reagents.
- The low recoveries of Sn by the two flow sheets indicate the low liberation of cassiterite.
- The low recoveries of cassiterite resulting from poor liberation, make it necessary to study other separation techniques such as higher intensity magnetic separation, column floatation, selective agglomeration, shake tables, etc.

According to Sr. Francisco Jose Montero Caballero, the government laboratory in Madrid did not have the proper equipment to conduct the test work. Additional test work was planned, but the samples were to have been sent to Italy. Samples were prepared (and are still in storage in Penarroya-Pueblonuevo), but the government cancelled the project prior to shipment.

La Grana West and La Grana East Tin Occurrences Area

All exploration work conducted in the La Grana area was conducted relative to a semi-regular survey grid (see Figure 8 of the Technical Report) covering an area roughly 3.4 km long by 1 km wide, with 29.425 km of lines oriented 020^{o} and spaced +/- 100 to 200 m apart. The grid is a quasi extension from the Oropesa deposit area grid although the lines from one grid do not join those of the other.

Soil Geochemical Survey

No report is available that describes the procedures and results, but there are survey plans with the plotted data. Some 1173 samples were collected at 25 m stations along the lines, and analyzed for Cu, Pb, Zn and Sn. Values ranged from 0 to 1200 ppm Sn, 0 to 535 ppm Cu, 0 to 3130 ppm Pb and 13 to 320 ppm Zn. Anomalous and strongly anomalous Sn values were considered to be 450 and 634 ppm respectively. The results (see Figure 9 of the Technical Report) delineated two centres with higher Sn values (defined by 250 ppm Sn contour) some 1.3 km apart. At the La Grana West zone there is a moderate to strong Cu and a strong Pb correlation with Sn, while at the La Grana East zone there is a weak Cu and strong Pb association.

Gravity Survey

A gravity survey was completed over an approximate 3 km x 6 km area on lines spaced at either ~500 or ~1000 m intervals and oriented 020^{o}. Readings were also taken along some of the roads. No report is available, only plans of the Bouger, Regional and Residual data. Residual gravity anomalies M-4, 5, 6 and 7 are packed within an area measuring roughly 2 km x 0.7 km**.** The West zone lies within the western tail of gravity anomaly M-4, and the East zone coincides with anomaly M-5.

Core Drilling

Sixteen (16) core holes with a cumulative length of 3420.0 m were drilled between 1987 and 1990 to test the two La Grana occurrences (Table 4). Hole locations are shown on the Sn geochemistry base map Figure 9 of the Technical Report. There is no report available that describes the program. Holes 1 to 5 tested La Grana West, and 6 to 16 La Grana East. Significant intercepts using a 0.10 % Sn cut-off are presented in Table 5. Results are discussed in the sub-section titled “Mineralization”.

Down hole survey data for inclination variations are noted on the graphic drill logs, but the type of survey is not indicated. Drill hole collars were not surveyed. Instead, hole locations were transferred from aerial photographs onto topographic maps, and their coordinates and elevations estimated therefrom (Sr. F. J. Montero Caballero, pers. comm.). Several drill hole collar locations were noted during the property visits, and the locations were recorded using a hand held GPS unit. The coordinates so recorded cross check with those stated by IGME.

Holes were commenced HQ in size and reduced successively to NQ and to BQ as the hole progressed. There are no descriptive drill logs available. Data are presented only as graphic logs complete with core recoveries, unit descriptions (rock type, alteration, mineralization, presence of veins, structure, etc.), and assays. Sample interval varied in length, crossed alteration, lithological and structural contacts, and seemed to be based more on core recovery than for any geological reason. There are sections with sulphide and / or suspected cassiterite mineralization noted on the graphic logs that were not sampled. Samples were crushed, pulverized and otherwise prepared for assay at the IGME Litoteca de Sondeos facility in Penarroya-Pueblonuevo, and sent to the IGME laboratory in Madrid for Cu-Pb-Zn-Sn assay by XRF.

TABLE 4

IGME : La Grana Tin Occurrences Drill Hole Data

Hole No.	Date Drilled	Azimuth (mag)	Dip	Length (m)	x Coordinate *	y Coordinate	Elevation* (m)	Anomaly Tested
Grana - 1	1987 / 88	30	50 N	272.50	283023	4244820	792	West
Grana - 2	1988	360	50 N	266.35	282925	4244766	804	West
Grana - 3	1988	180	50 S	265.40	282912	4245017	741	West
Grana - 4	1988	360	50 N	237.80	282677	4244897	731	West
Grana - 5	1988 / 89	360	50 N	207.55	282503	4244976	685	West
Grana - 6	1988	360	50 N	299.60	284053	4244350	719	East
Grana - 7	1988	360	50 N	253.70	283946	4244381	731	East
Grana - 8	1988	360	50 N	236.65	284171	4244426	743	East
Grana - 9	1989	360	50 N	242.95	284291	4244455	751	East
Grana - 10	1989	165	60 S	238.65	284369	4244438	749	East
Grana - 11	1990	165	60 S	191.65	284385	4244388	749	East
Grana - 12	1990		90	91.00	284412	4244264	698	East
Grana - 13	1990	345	55 N	167.40	282412	4244264	698	East
Grana - 14	1990	95	50 E	160.40	283988	4244542	776	East
Grana - 15	1990	95	50 E	162.40	284116	4244626	745	East
Grana - 16	1990	304	50 N	126.60	284546	4244482	728	East
		IGME Total		**3420.00**				

* European 1950 datum, zone 30 S

1 Measured with hand held GPS

2 Digitized from IGME map

Table 5

IGME : La Grana Tin Occurrences Drill Hole Assay Intercepts (0.10% Sn cut-off)

Hole No.	Zone	# of Assays	From (m)	To (m)	Length (m)*	% Sn
Grana - 1	West	21	58.35	60.35	2.00	0.24
Grana - 2		43	57.00	61.00	4.00	0.2
			87.00	97.00	10.00	0.2
			101.00	103.00	2.00	0.15
			128.00	130.00	2.00	0.12
Grana - 3	West	34	27.00	29.00	2.00	**0.32**
			122.00	124.00	2.00	0.1
Grana -4	West	22	79.25	81.25	2.00	0.13
Grana - 5	West	3				
Grana - 6	East	70	8.00	12.00	4.00	0.17
Grana - 7	East	31	83.00	85.00	2.00	0.1
Grana - 8	East	21	63.00	65.00	2.00	**0.53**
Grana - 9	East	12	160.15	162.15	2.00	0.12
Grana - 10	East	49	65.00	67.00	2.00	0.19
			144.00	148.00	4.00	0.12
			172.00	178.00	6.00	**4.03**
			192.00	194.00	2.00	**2.1**
			222.00	224.00	2.00	**0.36**
Grana - 11	East	48	12.00	14.00	2.00	0.1
			20.00	22.00	2.00	**0.26**
			151.00	153.00	2.00	0.1
Grana - 12	East	10				
Grana - 13		40	54.00	56.00	2.00	**1.64**
			60.00	62.00	2.00	0.13
			98.00	100.00	2.00	**0.43**
			126.00	128.00	2.00	0.18
Grana - 14		13	148.00	150.00	2.00	0.3
Grana - 15		82	121.00	123.00	2.00	0.14
Grana - 16		29				
		528				

*Core length - true width not determined

Bold: >0.25% Sn

GEOLOGICAL SETTING

Regional

The Hercynian Orogenic Belt (HOB) occupies the approximate western third of the Iberian peninsula in Spain and Portugal. It is bounded to the south by the Inner Betic Cordillera and the east by the Spanish Central System; see Figure 10 of the Technical Report. The Hercynian Orogenic Belt has been sub-divided into several geologically distinct zones (Leistel, et al., 1998); these are, from north to south, Cantabrian (CZ), West Asturian- Leonese (WALZ), Central-Iberian (CIZ), Ossa-Morena (OMZ), and South Portugese (SPZ).

The Ossa-Morena Zone is located in south central portion of the Iberian peninsula, trends WNW/ESE and covers an area roughly 240 km long by 120 km wide. Its boundary with the Central Iberian Zone to the north is the Pedroches batholith, while to the south the South Iberian shear zone (a major suture) constitutes the boundary with the South Portugese Zone. The OMZ is one of the most complex terranes of the HOB, and consists of:

- heterogenous, dismembered pre-Cadomian (Precambrian) sequences that contain high-grade metamorphic rocks and a thick siliciclastic sequence deposited in a passive margin;

- a synorogenic Cadomian unit that contains backarc to intraarc sequences of late Neoproterozoic-Early Cambrian age;

- a volcano-sedimentary unit formed during an intracontinental rift phase of early Paleozoic age;

- a passive margin sequence (Ordovician-Early Devonian); and

- syn-Variscan (lower Carboniferous) sedimentary rocks that were deposited in restricted basins.

The geotectonic evolution of the OMZ also involves the intrusion large volumes of igneous rocks belonging to three magmatic events: the Cadmonian orogenic cycle, the Variscan orogenic cycle and an intermediate extensional phase of early Paleozoic age.

The Ossa-Morena Zone has been subdivided into eight WNW/ESE "ore" belts as outlined Figure 11 of the Technical Report. From north to south these belts are 1) North Eastern Belt (in which the Oropesa property lies), 2) Arronches-Cordoba Belt, 3) North Central Belt, 4) Olivenza-Monesterio Belt, 5) South Central Belt, 6) Evora-Aracena Belt, 7) Cristovao -Beja-Serpa Belt and 8) Beja-Acebuches Ophiolite Complex . The later two only exist in Portugal in the very southwestern portion of the Ossa-Morena Zone. Numerous major structural features (such as the Peraleda Fault, Azuaga Fault, Hornachos Fault, Malcocinado Fault, and the Monesterio Thrust) also trend WNW /ESE across the region, and at least in places form the boundaries of the belts.

Of the zones within the Hercynian Orogenic Belt, the Ossa-Morena Zone displays the greatest variety of mineralization types, as well as the largest number of mineral deposits and occurrences (>700). Commodities include iron, lead-zinc, copper, gold, silver, antimony, nickel, manganese, tungsten, tin, mercury, barite, uranium and coal. These deposits formed by very different processes in distinct geological districts, and over a range of geological time. Deposit types (and metals) include deep epi- to mesothermal veins (W, Bi, Sn, Cu, Pb, Zn, Ag, Hg, Au), stratiform exhalative (Cu, Pb, Zn, Ag, Au), porphyry (Cu), pegmatites (U, REE), skarn (Zn, Pb, Cu, Fe), replacement (Sn) and magmatic (Ni, Cu).

Within the North East belt (in which the Oropesa property occurs), the geology is characterized by a Paleozoic sedimentary sequence with Central Iberian Zone affinities which overlies a Proterozoic sequence typical of the Ossa-Morena Zone. Shallow marine Carboniferous synorogenic basins are abundant in the area. A variety of mineral deposits occur, mainly hydrothermal veins related to the Pedroches batholith which occurs approximately 15 km north of the property.

Local and Property

The Oropesa property lies towards the west-northwestern extremity of the Penarroya-Belmez-Espiel basin; see Figure 11B of the Technical Report. This basin, which formed in a graben during the Mid to Late Carboniferous, is some 50 km long and 0.7 to 1.2 km wide (Wagner, 2004). The basin is bounded to the north by a normal fault and to the south by a thrust fault which has obliterated the original basinal margin.

In general, a south facing, south dipping, Devonian to Upper Carboniferous sequence of sedimentary rocks underlies the property. See Figure 6 of the Technical Report. The northern portion (Sierra de la Grana) is dominated by Devonian age quartzite with minor slate. The quartzite is generally fine to medium grained, light grey to white and massive, while the interbedded slate is cream coloured. All strike NNW and dip from 50^o to 75^o SW. Geological observations by MEE personnel in the course of the 2010 drill campaign regarding lithology indicate that, at least locally, lithological dips may be to the north. The contact with the younger Upper Carboniferous rocks has not been observed, but is believed to be the normal fault which defines the northern edge of the basin.

The rocks of the Upper Carboniferous have been sub-divided into two units. Interbedded conglomerate, arenite and slate (plus minor metavolcanic, ash and epiclastic rocks) constitute the rock types of the lower carbonatized detrital unit (UDC). The conglomerate is volumetrically the largest component of the UDC. In it, clast supported, sub-angular to rounded quartzite and slate pebbles are set in a well cemented arenaceous matrix. A mix of impure quartzite and greywacke comprise the arenite portion of the UDC. Fossils in these rocks indicate that they were deposited on a submarine platform. The slate portion of the UDC varies in colour from dark green to cream to reddish. Overlying the UDC to the south is the Culm facies unit (UFC). Rock types comprising the UFC are primarily shale and arenite with lesser interbedded conglomerate, porphyritic andesite and limestone.

Granite of unknown age is present along the southern property boundary underlying the Sierra de las Cabras. Where noted during the property visit, the rock is foliated at 110^o / 65^o S. Whether this granite is the source of or otherwise related to the tin mineralization is not known. The tin assay value for a sample collected by the author of the Technical Report is 83 ppm which suggests that the granite could well be the source of, or otherwise related to the source of the tin mineralization.

Although overburden cover, as exposed in trenches, is generally less than 1 m thick, there is less than 10% outcrop exposure over the property and area. In the immediate area of the Oropesa tin occurrence, the surface is littered with quartzite cobbles from the Devonian unit to the north. Cobbles increase in size and amount towards the contact with the Devonian units. A fluvial soil has been deposited along the Arroyo Majavacas which runs west to east in the southern sector of the property.

Mapped / interpreted NE and NNE striking faults disrupt the stratigraphy in and about the property. Those of the NE set are interpreted to be mainly of a sinistral nature, while those of the NNE set are dextral. Other fault sets most probably exist; an example would be a NNW set following the direction of the arroyos that cut through the property. The fault pattern on government 1:50,000 scale regional geology map sheets 879 and 857 suggest that the Sierra de la Grana is a fault block. Since the lithologies underlying La Grana are mapped as older than the lithologies at lower elevations, then a major NNW/SSE fault along the southern face of the La Grana hill has been interpreted. Whether this fault is a normal or thrust fault has not been determined. Vertical movement on the fault would be normal (north side up relative to the south) but the amount of displacement in the vertical sense and in the horizontal sense (if any) remain to be determined. Whether or not any of the interpreted faults are related to an assumed underlying granite intrusion (the source for the tin mineralization) also remains to be determined. The NNE /SSW trending highly anomalous tin geochemical areas at Sierra de la Grana strongly suggest an association between structure and mineralization.

DEPOSIT TYPES

Primary tin deposits are almost always associated with granite intrusions, are usually situated within 500 m of the granite contact, and occur in different geological settings. Five general types are recognized (see below). Those geological settings from which major tin production has been achieved are marked with an *.

1. Fold belt type - a) volcanic
   b) subvolcanic*
   c) subvolcanic - plutonic (mixed)*
   d) plutonic*
2. Anorogenic
3. Precambrian pegmatitic
4. Precambrian rapakivi
5. Bushveld

The general Oropesa property area lies within a “fold belt” regime, but as the source granite for the Oropesa tin mineralization has not been definitely identified, classification as to subtype setting is not yet possible, however, the dearth of volcanic rocks in the area rules out the volcanic subtype. Granite bodies associated with the remaining 3 subtypes occur in a variety of forms from small stocks to large scale, multi-phased intrusive complexes. These granite bodies were emplaced post major folding, and were controlled by major fracture / suture zones.

Tin bearing granites frequently evolve through a series of related granites, and thus become smaller and more geochemically specialised, such that mineralization is often related to small, fine grained plutons which are the final intrusive phase. Although major mineralogical and geo-chemical features of tin bearing granites are recognized (see below), no one criteria is diagnostic.

- association with postorogenic, polyphase intrusive complexes at a hypabyssal intrusion level;
- confinement to the apical stage of batholiths;
- increase in the content of specific rare elements (F, Rb, Li, Sn, Be, W, Mo) in comparison to normal granites (see below);
- strong increase in granitophile elements from the older to the younger intrusive phases;
- special association of accessory minerals of which, cassiterite, topaz, fluorite, tourmaline, columbite-tantalite and beryl are the most important;
- paragenetic sequence of crystallization where quartz appears as an early and dark mica as a late crystallization product;
- late to postmagmatic autometasomatic alteration producing microcline, albite and sericite.
  Ranges (ppm) for various trace elements in tin bearing granites are:

  F 3700 +/- 1500
  Rb 580 +/- 200
  Li 400 +/- 200
  Sn 40 +/- 20
  Be 13 +/- 6
  W 7 +/- 3
  Mo 3.5 +/- 2

Tin deposits in fold belt regimes may occur in a variety of styles; major breccia pipe systems, massive greisen systems, brittle fracture systems (veins / pipes, stockwork / sheeted veins), carbonate replacement deposits and tin bearing skarns. These are shown schematically in Figure 13 of the Technical Report. All major examples of Breccia pipe deposits occur within boron (tourmaline) rich systems, and as such, it is thought that such systems are more prone to boiling with the production of gas rich phases. Although breccia systems may be large (>1000 m diameter), they are frequently difficult to recognize for a variety of reasons including alteration overprinting. Breccias may display collapse, hydrothermal or gaseous-hydrothermal style features. Sericite (+/- chlorite) is the dominant alteration product with an outer shell of argillite alteration and a possible inner core of tourmaline alteration. Mineralization normally consists of quartz-cassiterite-tourmaline-sulphides+/-fluorite+/-siderite often in vugs. An example of breccia pipe mineralization is the Ardlethan mine in Australia, ~10x106 tonnes grading ~0.5% Sn, which includes several breccia pipes.

With Massive greisen style tin systems, lenticular to massive alteration zones are associated with cusps on the surface of late-stage, geochemically specialized granites. The mineralization zones occur as massive, irregular or sheet-like bodies extending beneath the contact for 10 - 100 m, and consist of fluorine-rich, sericite-silicic alteration envelopes mineralized with cassiterite and sulphides. Most systems, regardless of tonnage, grade in the 0.05 - 0.20% Sn range, and thus economic deposits are rare unless there is / are associate deposit types(s) of higher grade.

Deposits of the Brittle fracture system vary greatly in their geometry (veins/pipes, stockwork/sheeted veins), and size (~800,000 tonnes at ~1.8% Sn for the Adit 22 deposit in Indonesia to $17x10^6$ tonnes at 0.17% Sn for the Taronga deposit). Arenaceous metasediments (quartzite, felspathic sandstone) are particularly receptive to intense brittle fracturing required for such deposits. Major vein systems occur where the faults and fractures are well developed and close enough to allow for the development of a single mine. Features common to multiple quartz-cassiterite veinlet system include:

- veinlets are massed and parallel, generally between 1 and 10 mm thick, and generally steep dipping;
- fracture intensity is usually between 5 and 100 fractures / metre, with between 5 - 10% of the total rock volume mineralized;
- associated minerals include arsenopyrite, pyrite, fluorite, muscovite, topaz, wolframite, chalcopyrite, sphalerite;
- cassiterite is relatively coarse grained;
- each deposit usually contains several mineralized lenses several hundred metres in length (individual areal size is commonly between 10 and 50 hectares);
- all deposits exhibit at least one strong structural control;
- some deposits appear to exhibit classical vertical zonation;
-
- alteration is observed both regionally around lenses and locally adjacent to veinlets; massive silicification may accompany massed veining;
- deposits usually occur within sediments and / or volcanics within tin-bearing granite districts;
- the morphology of the upper surface of the source granite beneath the deposits appears to have a control on mineralization; and
- associated soils (geochemical signature) that are strongly anomalous in Sn, As, Cu, Pb, Zn, and F.

Carbonate replacement-style tin deposits, due to their size and grade, are the most desired deposit type. They occur where major fracture zones, that channel fluids upwards from a granite, intersect carbonate-rich horizons such as limestone, dolomite or calcareous sediments. If the fracture intersects more than one calcareous unit, mineralization is more intense in the first horizon intersected. Mineralization comprises cassiterite and sulphides, and due to the often massive nature of the sulphides airborne magnetic and electromagnetic surveys are normally employed in the search for such deposits.

Tin-bearing skarn deposits generally form irregular replacement or fracture controlled concentrations, and are normally located at contacts between a tin bearing granite and various calcareous rocks including dolomite, limestone, calcium or magnesium rich sediments and basic igneous rocks such as basalt. The mineralizing fluids may be fluorine, chlorine or boron dominated. Most skarns exhibit 2-5 phases of overprinting mineralization with tin in the earlier, high temperature phases contained within component minerals (magnetite, pyroxene, garnet, spinel, etc.) and cassiterite only present in the cooler middle to late phases. Sulphide mineralization is enriched in the late phases. The mode of formation and tendency for multi-phase overprinting often results in erratic cassiterite distribution.

The size and grade for various tin deposits worldwide is presented in Figure 14 to the Technical Report. At the price for tin as of the date of the Technical Report of about $12.00 US/lb ($26.40 US/kg), it is obvious that any deposit $>5x10^6$ tonnes and grading >0.20% Sn is an attractive exploration target.

MINERALIZATION

The Oropesa property lies within the "West Iberian Tin Belt", an approximate 200 km wide, NNW trending swath that cuts across western Spain and northeastern Portugal within which several past producing tin mines occur as indicated in Figure 11C of the Technical Report. On the property, three identified mineralized areas have been identified to date - the Oropesa tin deposit, and the La Grana West and La Grana East tin occurrences. MEE geologists believe that the tin mineralization on the Oropesa property belongs to a post orogenic sulphur dominant tin system of the deep subvolcanic type.

Oropesa

The greater Oropesa Sn soil geochemical anomaly, as defined by IGME, covers an area some 2000 m long in a WNW / ESE direction by 500 to 1000 m wide (see Figure 7 to the Technical Report). A central core area measures approximately 1200 m long, is between 100 and 200 m wide, and displays three distinct internal zones (East, Central and West) with higher values. Tin mineralization has not been observed in the few outcrops about the anomalous area, and the IGME trenches have been back filled. Details regarding the Oropesa tin mineralization follow, and have been summarized from reports of mineralogical studies initiated by IGME and MEE, observations and interpretation by MEE personnel when reviewing the IGME data and drill core or while logging the MEE drill core, as well as a perusal of the core sample assay data.

- The tin mineralization occurs primarily in zones of moderate to intense racturing accompanied by intensive hydrothermal alteration. Quartz veins and quartz vein stockwork systems occur, but are believed to be mainly post tin mineralization.

- MEE geologists have concluded from a) the lack of mineralized quartz veins, b) the occurrence of the tin mineralization within zones of intense hydrothermal alteration, and c) the age of most tin mineralization in western Europe in the Upper Carboniferous, that the mineralizing event occurred while the Carboniferous rocks of the basin were only semi consolidated.

- Within the oxidized upper portion of the deposit and in the transition to fresh rock the almost total absence of sulphides and the presence of iron and manganese oxide minerals in the fractures has led MEE geologists to hypothesise that sulphide mineral have been destroyed by weathering thus freeing the encapsulated cassiterite mineralization which would then be susceptible to loss by the circulating drill water.

- Tin mineralization has been intersected in drill holes over a strike length of 1300 m. There appear to be multiple mineralized zones within an overall mineralized structure. The horizontal width of the structure exceeds 40 m (see Figure 12 of the Technical Report). MEE geologists have noted that the horizontal extent of the mineralized structure corresponds very well with IP chargeability anomalies defined by IGME in the 1980s.

- Impure sandstone/quartzite and greywacke rock units are the primary host rock units for tin mineralization.

Where a mineral intercept overprints the contact between conglomerate and quartzite/greywacke, the intensity of mineralization wanes rapidly in the conglomerate.

- The primary tin mineral is cassiterite; stannite is rare. Associated minerals include pyrite, arsenopyrite, galena, chalcopyrite, and sphalerite. Semi massive and massive sulphide of epithermal origin have been observed in MEE drill hole ORP-4 and semi-massive sulphides in ORPC-2. Refer to Table 6 of the Technical Report for intercept lengths and grades. However, true widths have not yet been determined. A portion of one the high grade intercept from ORPC-2 is shown in Photo 1 of the Technical Report.

- Normally, the cassiterite is fine grained, 25 to 80 µ (microns), but coarse cassiterite has been noted in IGME & MEE drill cores.

- Topaz and tourmaline mineralization as well as pegmatite and apalite dykes normally associated with tin deposits are absent. Thus the source granite is expected to be very deep.

- The oxidation zone (pervasive oxidation or strong to intense oxidation along fractures) exceeds 100 m vertical depth. Hematite and limonite are dominant, but manganese oxide is common.

- The deepest intercept, that in IGME hole OR-8 from 212.0 to 243.4 m, is at 210 m below surface.

- Assay intercepts for IGME drill holes OR-1 to 27 at a 0.10% Sn cutoff are presented in Table 3 of the Technical Report, and for MEE holes at a 0.20% Sn cutoff in Table 6 of the Technical Report. Note that these are core lengths only and not necessarily true widths.

- Core intercepts vary greatly and may be as much as 55 m in length as in ORP-5 (with a 0.20% Sn cutoff). Insufficient systematic drilling has been completed to determine the continuity of mineralization from hole to hole and section to section, thus true thicknesses of mineralization cannot as yet be estimated.

- In ORP-2, the presence of alternating fresh rock with zones of pervasively oxidized rock has led MEE geologists to conclude that portions of the intercept may have been repeated, possibly by faults.

- In addition to the above, breccia zones may indicate transverse faults. Again, insufficient systematic drilling has been conducted to allow a proper interpretation.

La Grana

The La Grana Sn soil geochemical anomaly consists of two centres (La Grana West and La Grana East) about 1.3 km apart (see Figure 9 of the Technical Report). IGME, in the mid to late 1980s, drilled five core holes to test La Grana West and eleven to test La Grana East. MEE added another 14 holes at La Grana West in 2010 in an attempt to intersect mineralized fracture zones (structures) interpreted on the basis of the prospecting sample results. Refer to the following sub- section titled “Exploration”. Details regarding the La Grana tin mineralization follow, and have been summarized from reports of mineralogical studies initiated by IGME and as well observations by MEE personnel when reviewing the IGME drill core or while logging the MEE drill core.

TABLE 6
MESPA : Oropesa Tin Deposit Drill Hole Assay Intercepts (0.20% Sn cut-off)

Hole No.	Zone	# of Assays	From (m)	To (m)	Length (m)*	% Sn
ORP-1	East	138	64.2	84.8	20.6	0.27
			107.5	129.2	21.7	0.35
ORP-2	East	180	1.0	10.0	9.0	0.41
			14.0	44.0	30.0	0.48
			123.3	136.0	12.7	0.27
			147.7	155.0	7.3	0.59
ORP-3	East	126	168.8	174.7	5.9	0.23
ORP-4	East	100	122.2	144.7	22.5	0.73
ORP-5	East	0				NSV
ORPC-1	Central	37				NSV
ORPC-2	Central	110	29.3	57.3	28.0	4.28
			66.1	91.1	25.0	1.17
			94.0	98.8	4.8	1.03
			102.7	136.8	34.1	0.83
ORPC-3	Central	94				NSV
ORPC-4	Central	81	78.8	99.5	20.7	0.21
			118.0	127.2	9.2	0.30
ORPC-5	Central	106	88.3	138.65	55.35	0.59
ORPC-6	Central	65				NSV
ORPC-7	Central	94	188.7	193.8	5.1	0.36
		1131				

* : core length does not equal true width
NSV : No Significant Values
Intercept parameters : Minimum of 3 m length or 3 samples; maximum of 3 m or samples below cut-off between values.

- La Grana West measures some 750 m E/W by 300 to 400 m N/S while La Grana East is roughly triangular in shape with sides about 500 m by 500 m (Figure 15 of the Technical Report**)**.

- Drill hole assay intercepts for the IGME core holes using a 0.10% Sn cut-off are listed in **Table 5,** and for the MEE core holes at 0.20% Sn in Table 7 of the Technical Report.

- The tin mineralization occurs in expansion stockwork fracture systems (which indicates brittle fracturing).

- Epithermal quartz in-fills some fractures to form veins or otherwise line the fracture walls. Vugs in the veins or in the host quartzite are generally small. Cassiterite plus pyrite and arsenopyrite are present in the fractures, veins and in vugs.

- The fracture intensity in the host rocks, as seen in drill core, varies from weak to very strong, and is weakest where there is a greater abundance of slate beds. The quartz veins and fractures are generally thin, less than 1cm, which may indicate that these two areas of mineralization are peripheral to the main mineralized system or that any cohesive tin deposit occurs deeper.

- Cassiterite, as seen in core from IGME drill hole GR-10 and in hand samples (Photo 2 of the Technical Report**)**, can be coarse grained (>2mm).

- At La Grana West cobble size float samples with assay values >1% Sn tin mineralization are widespread over an area approximately 500 m by 500 m (Figure 15 of the Technical Report**)**. The highest value for any hand sample is 41.7% Sn.

- Insufficient sectional drilling has been completed at either La Grana occurrence to confirm continuity to any individual vein or zone. Widths of mineralization are <5 m.

- As at Oropesa, in the upper portions of drill holes iron and manganese oxides are often noted filling the fractures which has led MEE geologists to hypothesise that sulphide mineral have been destroyed by weathering thus freeing the cassiterite mineralization which would then be susceptible to loss by the circulating drill water.

Model

In 2009 and 2010, MEE personnel reviewed and re-interpreted the IGME exploration data and in particular the soil geochemical results. Based upon the review / re-interpretation, MEE developed a model, which continues to evolve, for tin mineralization emplacement at Oropesa and La Grana. The proposed sequence of events is as follows;

- During the Middle to Upper Carboniferous, a long linear graben formed between two WNW striking faults parallel to the regional, WNW / ESE structures of the Ossa Morena Zone to create a basin. Sediments were deposited in the basin during Middle to Upper Carboniferous times into a marine environment of medium to shallow depth. The basin was subject to earthquake activity which resulted in the formation of turbidites.

TABLE 7
MESPA : La Grana Tin Occurrences Drill Hole Assay Intercepts (0.20% Sn cut-off)

Hole No.	Zone	# of Assays	From (m)	To (m)	Length (m)*	% Sn
LGR-1	West	135	56	58.3	2.3	0.23
LGR-2	West	33				NSV
LGR-3	West	38				NSV
LGR-4	West	131	45.35	46.7	1.35	0.5
			50.7	51.7	1	0.63
LGR-5	West	0				NSV
LGR-6	West	123	117.1	121.1	4	0.29
LGR-7	West	179	26.9	28	1.1	0.59
			93.1	95.1	2	1.97
LGR-8	West	0				NSV
LGR-9	West	166				NSV
LGR-10	West	100	65	67	2	0.41
LGR-11	West	64				NSV
LGR-12	West	89				NSV
LGR-13	West	168	45.4	46.4	1	0.63
			68.4	69.4	1	2.35
			121.35	124.35	3	0.33
			129.4	131.4	2	0.7
LGR-14	West	128	3.8	9.9	6.1	0.3
			54.05	55.1	1.05	0.6
			77.4	78.4	1	0.86
			88.3	89.2	0.9	1.19
		1354				

* : Core length intercept does not equal true width
NSV : no significant values
Intercept parameters : 1) a single sample with a grade >0.5% Sn
2) Minimum of 2m or 2 samples; Maximum of 2m or 2 samples below cut-off between values.

- Regional lineaments or shear zones formed parallel to the basin margins, possible associated with the earthquake activity of above.
- In the Upper Carboniferous, a tin rich granite, or at least the tin rich phase of a tin bearing granite, was intruded centred beneath the property folding the overlying semi consolidate sediments.
- The intrusion of the granite acted upon the pre-existing (probably tight) lineaments or structures causing them to open due to tensional forces. Cross faults (transverse to the direction of the pre-existing structures) were probably created contemporaneously also by tensional forces.
- Tin and sulphide rich fluids from the granite were channelled upward into the overlying stratigraphy along the structures and at the intersections.
- Re-activation of the cross faults broke apart the Oropesa area causing the apparent "kink" represented by the soil geochemical anomaly. The apparently poorer mineralized areas between centres of geochemical highs may be due to either down dropped blocks or non recognized N/S displaced blocks.
- Weathering over the last +/- 290 million years has eroded the cover rocks at Oropesa and deeply weathered the host rocks and the deposit

EXPLORATION

Eurotin is in the process of acquiring Stannico and has not yet undertaken any exploration work on the Oropesa property. Previous exploration efforts by other entities have been summarized in the section titled **"**History**"**.

Since acquiring the property MEE has:

- Concluded exploration agreements with the 7 surface rights holders (see Appendix III of the Technical Report);

- Re-interpreted the data collected by IGME (discussed in the subsection titled "Mineralization");

- Developed exploration models for the Oropesa deposit and the La Grana West & East occurrences (discussed in the subsection titled "Mineralization");

- Conducted mineralogical and metallurgical test studies on two samples of Oropesa core -IGME holes OR - 11 and 27 (discussed in the subsection titled "Metallurgy");

- Prospected the area in and about the mineral occurrences. During several prospecting forays from 2008 to 2010 MEE personnel collected more than 160 float samples from the property. The bulk of the samples were collected at La Grana West, but some were collected at La Grana East and Oropesa as well. UTM coordinates for each sample were taken with a hand held, retail grade GPS unit with an accuracy of +/- 5m. A plot with sample locations and assay range data is presented as Figure 15 to the Technical Report. The grab samples were of cobble size and initially were collected randomly. As patterns (basically alignments of the better grades - particularly at La Grana West) emerged from the results, samples were collected to confirm alignments. Many of the samples collected along an alignment contained visible cassiterite (or at least suspected cassiterite). MEE interpreted the alignment of higher grade samples at La Grana West to represent underlying mineralized structures which were then targeted for drill testing.

- Completed a trenching program at La Grana West and La Grana East. The trench program was contracted to a local contractor Juan Alfaro. Eighteen (18) trenches which ranged in length from 8 to 30 m (720 m cumulative length) at La Grana West and a single trench at La Grana East (284 m) were dug using a Case 580 Super L backhoe capable of excavating to an approximate 3 m depth. The purpose for the trenches was to expose the bedrock across alignments of prospecting sample with higher values to determine if the alignments did indeed represented mineralized structures. Although sporadic high tin assays were encountered, MEE now believed that at least some alignments of samples with higher grade assays are due to soil creep; and

- Conducted a core drilling program. Twenty-five (26), HQ size core holes were drilled, which included 14 holes at La Grana West (2019.1 m) and 12 holes at Oropesa (2035.0 m) for a combined total of 4054.1 m. Details regarding the drill program are discussed below in the section titled **“**Drilling**”**.

DRILLING

Between 1983 and 1990 the government agency IGME drilled 49 core holes on the Oropesa property, 33 at the Oropesa deposit plus 5 at the La Grana West occurrence and 11 at the La Grana East occurrence. A basic description of the IGME drill programs is presented in the subsection titled “History”.

From March 19 to November 26, 2010 MEE completed a core drilling program, comprising 26 holes with a cumulative length of 4054.1 m. Basic drill data are presented in Table 8 of the Technical Report for Oropesa and Table 9 of the Technical Report for La Grana. The core size throughout the program was HQ (diameter 63.5 mm or 2.50 inches), except for hole ORP-1 which was reduced to NQ (diameter 47.6 mm or 1875 inches) only for the interval 92.8 to 101.4 m, and ORPC-4 which was reduced to NQ from 111.8 to 128.5 .SPIB, the property vendor, was the drill contractor. Work was completed using a track mounted, Model 100 SPIRILL hydraulic drill capable of coring to a depth of 750 m with HQ equipment (Photo 3 of the Technical Report).

TABLE 8

MESPA : Oropesa Tin Deposit Drill Hole Data

Hole No.	Year Drilled	Azimuth (mag)	Dip	Length (m)	x Coordinate*	y Coordinate*	Anomaly Tested
ORP-1	2010	15	60 N	250.00	283653	4243442	East
ORP-2	2010	15	60 N	182.50	283740	4243330	East
ORP-3	2010	190	50 S	184.30	283899	4243385	East
ORP-4	2010	200	50 S	155.70	283951	4243369	East
ORP-5	2010	185	65 S	194.00	283951	4243368	East
ORPC-1	2010	20	60 N	80.50	283288	4243771	Central
ORPC-2	2010	5	60 N	193.20	283275	4243740	Central
ORPC-3	2010	20	60 N	105.00	283265	4243715	Central
ORPC-4	2010	20	60 N	128.50	283260	4243700	Central
ORPC-5	2010	20	60 N	161.60	283247	4243664	Central
ORPC-6	2010	20	60 N	173.00	283243	4243643	Central
ORPC-7	2010	20	60 N	226.70	283233	4243618	Central
		Total MESPA		**2035.00**			

* European 1950 datum, zone 30S : Measured with hand held GPS

TABLE 9
MESPA : La Grana Tin Occurrences Drill Hole Data

Hole No.	Date Drilled	Azimuth (mag)	Dip	Length (m)	x Coordinate*	y Coordinate*	Elevation (m)	Anomaly Tested
LGR-1	2010	175	45 S	136.25	282863	4245055	N/A	West
LGR-2	2010	58	45 NE	73.70	282846	4245195	N/A	West
LGR-3	2010	51	80 NE	78.70	282845	4245195	N/A	West
LGR-4	2010	214	45 SW	150.70	282863	4245058	N/A	West
LGR-5	2010	209	60 SW	104.40	282820	4244090	N/A	West
LGR-6	2010	265	45 W	127.10	282928	4244797	N/A	West
LGR-7	2010	305	45 NW	176.20	282927	4244796	N/A	West
LGR-8	2010	230	87 SW	148.45	282902	4245069	N/A	West
LGR-9	2010	60	45 NE	175.80	282819	4245086	N/A	West
LGR-10	2010	43	44 NE	136.80	282581	4245081	N/A	West
LGR-11	2010	45	65 NE	168.50	282582	4245081	N/A	West
LGR-12	2010	40	89 NE	207.00	282583	4245081	N/A	West
LGR-13	2010	43	45 NE	153.30	282890	4244813	N/A	West
LGR-14	2010	0	45 N	182.20	282887	4244812	N/A	West
MESPA Total				**2019.10**				

* European 1950 datum, zone 30 S : Measured with hand held GPS

Oropesa

Most cement pads that mark the drill hole collars of the IGME holes have been moved or otherwise destroyed by the farm owners. As such, data available from these holes is of little value other than to note the approximate location of mineralization. The purposes for the 12 MEE core holes, which were along an 800 m strike length, are discussed below.

Holes ORP-1 to 5 were designed to intersect tin mineralization previously cored by IGME at the Oropesa East anomaly either on (or close to) the same IGME section or lateral to the section. Epithermal tin plus sulphide mineralization were cored in four of the five holes. Of particular note are the semi massive to massive sulphides cored in hole ORP-4, an epithermal style of mineralization not previously encountered. ORP-5, designed to cut the mineralization cored in ORP-4 actually under-cut the mineralized zone. Mineralization of this type should almost certainly be amenable to electromagnetic geophysical techniques.

The intent of hole ORPC-2 was to twin IGME hole OR-27, however the twinning attempt was unsuccessful as the exact collar position for OR-27 has been lost. As a result the geology for the two holes was dissimilar. MEE then decided to complete a fence of holes 25 m apart (holes ORPC - 1, 2, 3, 4, 5, 6, and 7) on that section in order to gain detailed information as to geology, mineralization and controls thereto, etc.; see Figure 12 of the Technical Report. Data regarding the holes are presented in Table 8.

Assay intercepts (0.20% Sn cutoff) for these holes are presented in Table 6. Note that the assay interval lengths listed in Table 6 and quoted below are not an indication of the mineralization true thickness. Additional sectional drilling is required in order to first determine the geometry of the mineralized structure(s) from which the true thickness can then be determined.

- ORPC-1 over shot the mineralized zone and no significant intercepts were cut.

- ORPC-2 cut a very well mineralized interval from 29.3 m to 136.8 m (107.3 m). Discontinuous semi-massive sulphides hosted by quartzite/greywacke occur from 66.0 - 134.6 m. There are four intercepts above cutoff; 28.0 m @ 4.28% Sn, 25.0 m @ 1.17% Sn, 4.8 m @ 1.03% Sn and 34.1 M @ 0.83% Sn. The total combined length greater than cutoff is 91.9 m.

- ORPC-3, which under cut ORPC-2, did not cut significant mineralization. It is suspected that the mineralization cut in ORPC-2 dips northward in which case this hole was not drilled deep enough to intersect the mineralization structure.

- ORPC-4 cut two intercepts greater than cutoff; 20.7 m @ 0.21% Sn and 9.2 m @ 0.30% Sn. The hole was terminated prematurely due to drilling difficulties, and like ORPC-3 did not test the interval cored in ORPC-2.

- ORPC-5 appears to have cut a separate mineralized structure. A 55.35 m interval from 88.3 to 138.65 m assayed 0.59% Sn.

- ORPC-6 did not cut any significant mineralization. If as suspected the mineralized structures dip northward, then the hole was terminated prematurely.

- ORPC-7 cut a short interval of 5.1 m with a grade of 0.36% Sn. This intercept may represent another mineralized structure, albeit a weak one, as no corresponding mineralization was cut in the upper portion of ORPC-6.

Information determined from MEE's drill program at Oropesa include;

➢ The dip of the host lithological units, as interpreted from the section ORPC-1 to 7, is to the north at about 80

- 85^{o} and not always to the south as indicated on the IGME geology maps for the entire property. This observation implies that the lithologies may be folded.

- The tin mineralization zones and structure clearly cut stratigraphy, and thus the tin mineralization is not syngenetic in origin.
- Tin mineralization occurs within structure comprising several sub parallel zones.
- A style of tin mineralization not know previously to occur on the property, massive and semi-massive sulphide mineralization of epithermal origin, was cored in ORP-4 and ORPC-2.
- Tin mineralization continuity was demonstrated by the section of holes ORPC-1 to 7, although the grade of mineralization appears variable.
- There appear to be multiple zones of tin mineralization within a broader mineralized structure.
- The thickness of the oxidized zone is highly variable.

La Grana

The fourteen (14) La Grana holes, LGR-1 to 14, were all exploratory in nature, and were designed to confirm and test various structures interpreted from a re-evaluation of the IGME data combined with the results of MEE's prospecting sampling program. All were drilled at the La Grana West tin occurrence. Basic data regarding these hole are presented in Table 9 of the Technical Report, while assay intercepts are listed in Table 7 of the Technical Report. The assay interval length in Table 7 of the Technical Report is not an indication of the mineralization true thickness. True thickness can only be determined once sufficient sectional drilling has been carried out to define the geometry of the mineralized structure from which the true thickness can then be determined.

Information determined from MEE's drill program at La Grana West include;

- The style of tin mineralization at La Grana West is different from that at Oropesa.
- Tin mineralization occurs in zones of brittle fractures.
- Tin mineralization may be high grade, >1% Sn, and be very coarse grained.
- The zones / veins cored to date are <5 m thick and in most cases ,1 m thick.

SAMPLING METHOD AND APPROACH

The Sampling Method and Approach for samples collected by IGME was described in a previous report (Burns 2010). Since acquiring the right in 2008 to earn an interest in the Oropesa property, MEE has collected three different types of samples; a) prospecting samples which were mainly of float but a few from outcrop, b) trench samples and c) drill core samples.

Prospecting Samples

Samples were collected randomly over an approximate 1.5 km x 1.0 km area at Oropesa, 1.0 km x 1.0 km area at La Grana West and 0.5 km x 0.75 km area at La Grana East (see Figure 15 of the Technical Report). MEE's geologists described each sample in standard fashion, bagged and tagged the sample, and recorded the sample's UTM coordinates with a retail grade, hand held GPS. Normally samples were delivered to the lab the same day as collected. In a few instances, samples were stored securely at the home of Peter Miller in Seville prior to delivery to the laboratory.

The sampling procedure and the samples themselves are not representative. Samples were collected randomly and not on a grid basis, and those samples with visible cassiterite or suspected cassiterite were preferentially submitted for assay. As trends or suspected trends of higher assays developed, later samples were collected along trends. The purpose of the prospecting exercise was to prove the existence of cassiterite mineralization on the property, and to develop a sense as to the wide spread nature of the mineralization. In both cases, MEE was successful. Since the majority of the samples were of float, they cannot be used to estimate true widths of any mineral zone that may be present.

Trench Samples

A total of 84 samples from La Grana West trenches and another 4 from the single La Grana East trench. Types of samples taken included a) chip channel samples generally at 1 m intervals but only in those trenches where the bedrock was well fractured and where there was continuous rock exposure , b) composite grab samples of various lengths where bedrock appeared to well fractured but was not continuously exposed, and c) grab samples in poorly fractured rock but in which cassiterite mineralization was suspected. In all cases, care was taken to ensure that only bedrock was sampled.

The trenches were strictly exploratory in nature, designed to hopefully expose mineralized structures, and gain insight as to their attitudes. Sample assays are not representative of the grade of any mineralized system and were not so intended to be. Samples were delivered to the lab the same day as collected.

Core Samples

Some 2485 core samples were selected, cut and assayed (Tables 6 and 7 of the Technical Report). Once the core was logged, the geologist marked out the samples to be cut. Sample lengths were nominally / normally 1.0 m, but were varied as required due to a) oxidation intensity, b) fracture intensity, c) mineralization intensity, d) lithological contacts e) core recovery, and f) core diameter. Wherever possible sample lengths were adjusted to coincide with the end of a 3.0 m drill run. Intervals of lost core were excluded from any sample. Samples were cut in half using saws equipped with diamond studded blades. Core cutting was carried out at two locales; at the IGME Litoteca facility in Penarroya by an employee of IGME with more than 30 years experience, and at the ALS Chemex preparation laboratory in Seville by employees of ALS Chemex trained by MEE personnel.

Sample quality in general is very good, however there are two factors that could impact the accuracy and reliability of results and thus introduce biases. Core recovery, the first such factor, was in general reasonably good, but in both oxidized and non oxidized material the recovery can be highly variable due to the friable nature of the rock particularly in intensely fractured sections which are prone to breakage and grinding during the drilling process. The situation is exacerbated within the oxidized material as the rock has already been weakened. The remaining pieces of core may or may not be representative of the original full core. A second factor, already mentioned in the sub-section titled "Mineralization", compounds the first. Particularly within the oxidized upper portion of the mineralized material and in the transition section to fresh rock, the almost total absence of sulphides and the presence of iron and manganese oxide minerals in fractures that in fresh rock contain abundant sulphides has led MEE geologists to hypothesise that sulphide minerals have been destroyed by weathering thus freeing the encapsulated cassiterite grains which would then be susceptible to loss by the circulating drill water. Due to the combination of the two factors, cassiterite losses may be significant.

Samples cut at ALS Chemex were in a secure facility from sample cutting through to sample preparation. Those samples cut at the Litoteca in Penarroya were kept in a locked storage area prior to delivery to the ALS Chemex facility by MEE personnel.

SAMPLE PREPARATION, ANALYSIS AND SECURITY

No aspect of the sample preparation process was conducted by an employee, officer, director or associate of MEE.

The first 25 prospecting rock samples (two batches) were first prepared (dried, crushed and pulverized to produce a pulp) at the Aguas Tenidas mine laboratory in Spain, then a sub-sample of the pulp was shipped by bonded courier to OMAC Laboratory in Galway, Ireland for assay. At OMAC the samples were assayed for tin by Lithium Metaborate / Lithium Tetraborate fusion (OMAC code BF ES/MS). By this process:

- The sample is fused with Lithium Metaborate and Lithium Tetraborate at 1000^{o}C in graphite crucibles.

- The melt is dissolved in dilute HNO3 and read by ICP-OES instrumentation for major elements and trace elements (including Sn), with Indium used as an internal standard.

- The same solution is read by ICP-MS instrumentation for a suite consisting of rare earth elements and refractory elements that would normally not be recovered in total using an acid attack.

OMAC employ strict protocols for sample tracking and cleanliness, and use standards and blanks for internal QA/QC purposes. OMAC is ISO certified for Sn assay by the BF ES/MS method. It is the opinion of the author of the Technical Report that the sampling, sample security, sample preparation and sample analysis procedures employed for the MEE samples submitted to OMAC were sound.

All remaining prospecting rock samples, the trench rock samples and the core samples were submitted to ALS Chemex's sample preparation facility in Seville, Spain. Once received by ALS Chemex, the samples were first logged into the in-house LIMS tracking system, after which the samples were prepared according to procedure code “Prep 31". In this procedure each sample is weighed, dried, and fine crushed to 70% -2mm. A 250 gm split of the crushed material is then pulverized to better than 85% <75 µ (microns). Samples were then shipped by bonded courier to the ALS Chemex laboratory in Vancouver, Canada for analysis.

In Vancouver, prospecting and trench rock samples were assayed for tin (and a few instances for tungsten) by ALS Chemex procedure ME-XRF05 or ME-XRF10 and in some instances for multi elements by method ICP61. Core samples from the La Grana holes were assayed for tin by method ME-XRF10. If the tin assay was greater than 1%, the sample was also assayed for tungsten also by method ME-XRF10. Core samples from the Oropesa holes were assayed for tin also by method ME-XRF10, and further analyzed for a suite of elements by method ME-ICP61. The methodology for ME-05XRF is to mix 10 gm of sample pulp with a liquid binder, press the sample into a pressed pellet and analyse the pellet for tin by XRF spectrometry. By method ME-10XRF, 0.9 gm of calcined sample pulp is mixed with 4.5 gm of tetraborate and 4.5 gm lithium metaborate and fused at 1100^{o}C to produce a flat molten disc which is then analyzed by XRF spectrometry. Any sample with an assay value that is over limits for Cu, Pb or Zn by method ME-ICP61 is re-assayed by an appropriate method to determine a finite value.

ALS Chemex employs strict protocols for sample tracking and cleanliness, and use in-house standards and blanks for internal QA/QC purposes. ALS Chemex is ISO accredited for the method ME-ICP61 but not for tin assay by methods ME-XRF05 and ME-XRF10, but do preform these methods by very strict protocols.

To date MEE has not included any quality control samples (standard, duplicates, blanks) in any shipment of rock or core samples. Instead, MEE has initiated a program of check sampling whereby a duplicate pulp for every 10th core sample was shipped to a second laboratory (SGS Lakefield). At SGS Lakefield the samples are assayed for tin according to SGS Lakefield method 9-6-2. With this method 6 gm of sample pulp are mixed with a binding agent, pressed into a pellet, and the tin content determined by XRF spectrometry. SGS Lakefield is ISO certified for this procedure. On average, the ALS Chemex results were 2.2 % higher than those of SGS Lakefield although individual values ranged from 5.7% higher to 8.3% lower.

It is the opinion of the Author of the Technical Report that the sampling, sample security, sample preparation and sample analysis procedures employed by MEE concerning samples submitted to ALS Chemex were adequate for this stage in the exploration of the property.

DATA VERIFICATION

As an independent check of the ALS Chemex assays, 34 pulp were selected by the author of the Technical Report and submitted to Activation Laboratories Ltd. (Actlabs) in Ancaster, Ontario for assay by fusion XRF (Actlabs code 8-XRF). By this method, 0.2000 gm of -200 mesh sample pulp is fused with 49.75% lithium metaborate, 49.75 lithium tetraborate and 0.5% lithium bromide flux in Pt-Au crucibles using an automatic fluxer. The molten liquid is cast into fused glass disks. The tin content is determined using an AXIOS XRF Spectrometer. Actlabs is ISO accredited for this method. On average, the ALS Chemex results are 7.4% higher than those of Actlabs, and overall 22 of the 34 check assays (65%) are within 10% of one another. Individual ALS Chemex assay values ranged from 24.5% higher to 23.4% lower compared to those of Actlabs.

ADJACENT PROPERTIES

Except for regional geological considerations, all data reported herein are for the Oropesa property.

MINERAL PROCESSING AND METALLURGICAL TESTING

Mineral processing and metallurgical testing studies have been conducted by IGME & MEE. Those by IGME are discussed under the **"**Exploration History**"** sub-hrading and in more detail in Burns, 2010, Appendix IV.

In 2009, MEE completed an internal review of the mineralogical studies & metallurgical test work undertaken by IGME and concluded as follows:

- Major advances had been made in tin recoveries in the past 20 years since the IGME studies and test work.

- The tin grade used for the 1988/89 metallurgical test work was 0.284% Sn. This grade was the approximate average figure estimated for the Sn resources in the late 1980s. In 2009/10 terms, this figure of 0.284% Sn was more likely to be closer to an economic cut-off grade as opposed to an average resource grade.

- Visible cassiterite can be seen in Oropesa deposit drill core with the aid of a 16x lens.

- Comments by IGME personnel (to Peter Miller and the author of the Technical Report) indicated that the quality of the 1988/89 test work by the laboratories in Madrid was poor due to the lack of proper equipment.

Based upon this internal review, MEE decided to:

- Undertake metallurgical test work on both oxidized and non oxidized drill core from Oropesa tin deposit to confirm, deny or amend the findings of the previous IGME sponsored 1988/89 test work;

- Conduct such additional test work on higher grade material than that used by IGME; and

- Undertake such additional metallurgical test work at a laboratory with a proven record in tin metallurgy.

MEE contracted the SGS laboratory located at Truro, Cornwall, UK to conduct the test work. The metallurgical test work completed by SGS focussed upon gravity separation techniques, and is reported upon by Goldburn and MacDonald, 2009. The two samples chosen had the following characteristics as displayed in Table 10.

Table 10
MESPA Metallurgical Samples

Sample #	From	To	Type	Tin Grade	Tungsten Grade
OR - 11	188	192	Non Oxidized	0.46%	0.08%
	204	212	Non oxidized		
OR - 27	15	23	Oxidized	1.66%	0.03%

Metallurgical Test work Conducted

Non Oxidized Sample OR – 11

The sample was treated as follows:

- The entire sample was crushed to -3.5 mm.

- A 1 kg sub-sample was crushed further to 100% passing 1 mm, and then screened into 6 size fractions; -1mm+500µ, - 500µ+250µ, -250µ+125µ, -125µ+75µ, -75µ+45µ and -45µ.

- Each size fraction was then subjected to "Gravity Release Analysis" ("**GRA**"), a separation technique using a fluid film separation on a batch laboratory panner - in this case a Mozely C800 machine with a V deck for +45µ material and a flat deck for -45µ material. GRA separates by density, size and shape of particles and therefore indicates the best separation available on a full time continuous gravity device such as a spiral or table. Each size fraction was passed over the table in 100 gm lots such that approximately 80% reported to the tails.

- The remaining weight on the table was split into 5 density fractions by eye, using colour as a guide.

Oxidized Sample OR-27

The sample was treated as follows:

- The entire sample was crushed to -3.5 mm.

- A 1kg sub-sample was wet rod milled at 65% solids for 5 minutes.

- The resultant charge was screened at 250µ and the +250µ fraction returned to the mill for an additional 5 minutes. The process was repeated until all of the charge passed the -250µ screen.

- The -250µ rod mill product was wet screened at 45µ, and both fractions were filtered and dried.

- The +45µ fraction was screened into the following fractions; -250µ+125µ, -125µ+75µ, -75µ+45µ and -45µ

- Finally, the dry screened -45µ and the wet screened -45µ fractions were re-combined.

- Each fraction for this sample was treated as described above for the OR-11 sample.

Metallurgical Test work Results

Results / conclusions of this work follow:

- There was no preferential grinding of tin nor sliming of tin in either sample tested.
- The liberation of cassiterite is not a problem in the finer sized particles of either sample tested.
- Both samples would respond to a typical plant approach with multi stage grind / separation stages to remove free cassiterite at the earliest opportunity.
- Due to the presence of sulphide minerals, un-oxidized material may require a sulphide pre-float prior to gravity concentration.
- Wolframite may prove to be a valuable by-product.
- Recoveries and grade for the oxidized material were high, especially for the -75µ fraction. There was no concentration in the finest fraction (-45µ) as had been feared.

Results are positive for both samples, and indicate that the both the oxidized and non oxidized material can indeed be concentrated by conventional gravity techniques. This finding is in direct contrast to the conclusions reached previously by IGME. Possible explanations are that at the time IGME was not properly equipped to conduct the necessary test work and that in the intervening 20 years there have been significant developments in gravity separation techniques.

Mineralogical Examinations

The MEE metallurgical test work was followed up with mineralogical (QEMSCAN)™ examinations of the products produced by the gravity tests. Findings were reported by MacDonald and Hallewell, 2010, and are summarized below:

<u>Non-oxidized sample OR-11</u>

- The sample had a head grade of 0.45 - 0.52% Sn of which 90% was in the form of cassiterite and the remainder as stannite. [Note that stannite is not commercially recoverable at any operation in the world, even from those deposits in which it is present in even higher concentrations.]
- The main minerals in the sample were quartz (52%), pyrite (11.9%), siderite (12.1%), chlorite (11.5%) and micas (5.6%).
- Cassiterite had a particle liberation size of 39µ or finer but 56% of the cassiterite was liberated at 135µ, and liberation increased with decreasing grind size.
- The finely locked cassiterite stabilized at 10-19% below 135µ, indicating that there was a potential for a disposable tailing at a relatively coarse grind size.
- The sample gave a theoretical 78% Sn recovery to a 50% Sn concentrate at a grind size of 80% passing 210 microns. The recovery would increase to 85% at finer grind sizes.
- The theoretical recovery and grade stated above was greater than that actually achieved during testing due to the presence of sulphide mineral, predominantly pyrite. These would require removal by a bulk sulphide float prior to gravity concentration of cassiterite.
- Wolframite would be recovered with the cassiterite, but theoretically could be removed by magnetic

separation.

Oxidized sample OR-27

- OR-27 had a head grade of 1.07 - 1.76% Sn. No stannite was observed in the sample.
- The main minerals present were quartz (78.4%), iron oxides (10%), chlorite (3.8%), and micas (2.1%), and very little pyrite.
- Cassiterite had a particle liberation size of 25 -30μ. 12% of the cassiterite was liberated at 165μ, and liberation increased with decreasing grind size. The finely locked component decreased with decreasing grind size indicating that the only potential for a disposable tailing was at a very fine grind size.
- OR-27 gave an overall theoretical 91% Sn recovery to a 50% Sn concentrate, and improved with decreasing size.
- The theoretical recovery and grade is better than that actually achieved during test work due to the presence of a large amount of iron oxides, however improvements for the actual are expected from a phased grind / gravity separation approach.
- OR-27 contained some wolframite as well as rutile and zircon which would concentrate with the tin, and may prove to be valuable by-products.

MINERAL RESOURCE AND MINERAL RESERVE ESTIMATES

MEE has acquired the property only recently, and as yet has not completed a resource estimate for the Oropesa tin deposit. Whether a formal or informal resource/reserve estimate was completed for the Oropesa tin deposit is unknown. There are various figures attributed to IGME quoted in the literature (Table 11), but the source report(s) and / or raw data used in the estimates are not available. Therefore, such basic data as cut-off grade, specific gravity, drill hole area of influence, method used for the estimation (sectional, Krieging), etc. are unknown and cannot be cross checked or otherwise validated. **As such, the author of the Technical Report was not able to verify the numbers quoted nor classify them according to CIM definitions. Thus, the estimates SHOULD NOT BE RELIED UPON**. They are included herein as background material, and at most should be considered only as possible orders of magnitude estimates.

Table 11
Oropesa - Summary of Resources Estimates in the Literature

Source	Reference	Estimate
Lopez-Pamo et al, ~1990		16Mt @ 0.25% Sn including 8Mt @ 0.40% Sn
Locutura et al., 1990	IGME, 1987	>10Mt @ 0.25% Sn
Tornos et al., 2004a		18Mt @ 0.25% Sn
Tornos et al., 2004b	Locutura et al., 1990	18Mt @ 0.28% Sn

Note: Whether the estimates quoted are geological resources or based upon an open pit or underground mining configuration is not known.

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No deposit has been delineated at either La Grana West or La Grana East areas, and consequently no mineral resources have been estimated.

OTHER RELEVANT DATA AND INFORMATION

All relevant data and information available for previous exploration work programs, government surveys, etc. are included in this report.

INTERPRETATION AND CONCLUSIONS

MEE has greatly enhanced the understanding and valuation of the Oropesa property.

- The preliminary basic metallurgical test work conducted by MEE has shown that the tin mineralization at Oropesa from both oxidized and non oxidized zones may be concentrated by conventional gravity techniques. This is a direct contradiction of the original very negative conclusions resulting from the IGME metallurgical studies.

- MEE has developed and continues to refine a workable geological model for the emplacement of the tin mineralization. The model will aid MEE with the development of exploration programs and the interpretation of results therefrom.

- The re-interpretation of the geophysical data by MEE led to the recognition that the mineralized structure at Oropesa is detectable and definable by conventional IP / resistivity surveys. Since there is limited outcrop exposure on the property, this recognition provides MEE with a geophysical exploration tool by which to explore not only the environs of the Oropesa deposit and extensions thereto, but also the La Grana occurrences and the remainder of the property as well.

- By drilling the one fence of drill holes at Oropesa in 2010, MEE gained particularly useful information, namely that a) as suspected the mineralization is structurally controlled, b) mineralization is preferentially developed in the arenite units rather than the slate beds, c) at least locally, lithologies dip steeply to the north and not universally to the south as depicted on the maps produced by IGME, d) there are several mineralized zones within an overall mineralized structure that isup to 40 m wide, e) the mineralized zones dip steeply northward.

- MEE cored some very interesting intercepts in the 2010 drill program, particularly in holes ORP- 2 and 4, and in ORPC-2 and 5 (Table 6). From these holes MEE can step out with the intent to develop tonnage.

RECOMMENDATIONS

This property is at the early to mid exploration evaluation stage. The following recommended two phased exploration program, if implemented, will effectively advance the property towards a better understanding as to the style(s) and control(s) of mineralization on the property in particular, and of its economic potential in general. Indeed, sufficient data should be available to permit a pre-feasibility study to be initiated for the Oropesa deposit, and assuming positive results, for a resource estimate to be undertaken at La Grana West and / or La Grana East. With the distinct possibility for future mine development, the commencement of an environmental baseline study is included as part of the exploration program. The implementation of all or any part of Phase II is dependent upon the results for Phase I.

Phase I

- **Data Compilation**

  The IGME data, although dated, is still relevant. Unfortunately the data is all piece meal and at various scales. Data are to be compiled at common scales and re-interpreted. If possible the digital data for the

1987/1988 Aerodat magnetic, electromagnetic and VLF survey should be purchased and re-interpreted by an independent geophysicist.

- **Ground Geophysics**

The IP / resistivity survey performed by IGME in 1983 and 1985 indicated that the sulphide mineralization associated with the Sn mineralization can be delineated with this method-ology. As an aide to tracing the Oropesa and potentially the discovery of new mineralized zones, an approximate 30 line kilometre IP / resistivity survey at 100 m line spacings is to be conduct over the Oropesa deposit and projected extensions. Although the survey at the Oropesa deposit might be limited to shallow or moderate depth, at least a few sections at the La Grana occurrences should be aimed deep.

The area of the Oropesa property is structurally complex. Several faults with different orientations have been interpreted by IGME and other such faults are suspected by MEE geologists. Therefore, as an aide to unravelling the property's structural complexity, a magnetometer survey encompassing some 80 line kilometres is to be undertaken over the central portion of the property including the areas of Oropesa and the two la Grana occurrences.

An independent geophysicist is to be engaged to set the parameters of the survey, to oversee data collection and to interpret the data.

- **Geological Mapping**

The bedrock geology of the property is to be mapped in detail at 1:5000 scale. Where required, individual outcrop areas are to be mapped in greater detail. Where necessary for improved exposure, outcrops are to be washed with a pressure hose. Outcrop areas are to be accurately located by differential GPS survey. Any structural features interpreted from the geophysical survey data are to be integrated with the mapped geology.

- **Core Drilling**

Unless obvious drill targets are defined by the IP / resistivity geophysical survey at La Grana West, La Grana East or elsewhere, drilling efforts are to be confined to the area of the Oropesa deposit. Additional fences of core holes are to be drilled, one each 50 m to the west and east of the existing fence (ORPC-1 to 7) and another to include ORP-4 which cored the massive and semi massive sulphide mineralization in the Oropesa east areas. Another +/- 10 core holes are to be drilled elsewhere in the general Oropesa area as required to test geophysical anomalies, define geology or the limits of mineralization, or twin (as closely as possible) selected IGME holes. Allow for 3,250 m (+/- 20 holes) total. Holes are to be drilled at -50^{o} or -60^{o} as appropriate with topography. The minimum hole size is to be HQ in the oxidized zone, and NQ thereafter.

Core samples are to be taken from any zones of cassiterite and/or sulphide mineralization, of iron and/or manganese coated fractures, of hydrothermal alteration, etc. The nominal sample length should continue to be 1.0 m while the maximum sample length should be 1.5 m. Sample intervals are not to cross lithological, structural or alteration contacts. Assay protocols currently in use by MEE are to be continued **A rigorous QA/QC program that includes standards, duplicates and blanks is to be initiated and maintained**.

For both oxidized and non oxidized material, rock density data are to be determined utilizing representative pieces of core. Initially, data are to be collected for either each 3 m of core or for every sample within the mineralized zone and every 4th 3 m core interval in waste. The number of determinations may be lowered / adjusted once patterns emerge. Since the oxidized core may crumble when immersed in water, and since there are numerous open fractures, veins and vugs in the core, coating the core with wax will be required.

Hole directions are to be determined at maximum intervals of 30 m by Reflex or some other suitable instrumentation while the hole is in progress. At the completion of the drill program, all holes, including those previously drilled (if possible), are to surveyed by gyroscopic instrumentation.

Drill hole collars are to be accurately surveyed for their x, y and z coordinates, preferably by theodolite or differential GPS. At the same time, the collar locations for previous holes are to be similarly surveyed, and if possible collar azimuths verified.

- **Metallurgical Test Studies**

Additional metallurgical scoping test studies are to be undertaken on the Oropesa oxide and non oxide material to determine an optimum process for producing a saleable tin concentrate at acceptable recovery rates. At this stage the work should include both bench scale samples and mini bulk samples. Test work should include additional conventional gravity plus flotation techniques. Either the remaining half of the MEE drill core or the MEE sample reject material could be used.

- **Environmental Baseline Studies**

The property and general area is used for farming of various crops. It is essential, therefore, to commence environmental baseline studies particularly for water and air quality prior to the initiation of any major drilling campaign. The property and a one to two kilometre surrounding area are to be covered by the studies. The open shafts on the property are to be cleaned of garbage and filled in (with the consent of the farmer).

Phase II

- **Reverse Circulation Drilling**

It is suspected that during the core drilling process that some (possibly significant) cassiterite mineralization may be lost from the open fractures particularly within highly friable intervals in the upper oxide zone of the deposit. To overcome this possible loss and to improve the recovery of material in general, it is recommended that the systematic evaluation of the deposit be undertaken with reverse circulation (RC) drilling. An estimated 400 RC holes (60,000 m) will be required to drill off the Oropesa deposit at 25 m by 50 m drill hole spacings.

The nominal sample length should continue to be 1.0 m. Assay protocols currently in use by MEE are to be continued. The rigorous QA / QC program initiated in Phase I is to be maintained.

Drill hole collars are to be accurately surveyed for their x, y and z coordinates, preferably by theodolite or differential GPS.

- **Core Drilling**

An allowance for an additional 50 core holes (7,500 m) is recommended to test geophysical anomalies, define geology or the limits of mineralization, twin (as closely as possible) IGME holes or collect material for metallurgical testing as required. Sampling procedures, assay protocols, QA/QC protocols and drill hole survey procedures established in Phase I are to be continued.

- **Metallurgical Test Studies**

Additional metallurgical test work is to be performed on larger samples to confirm and / or improve upon the results obtained in Phase I.

- **Resource Estimate**

A resource estimate is to be completed for the Oropesa deposit using all relevant available information. The estimate is to be undertaken by someone familiar with epithermal tin deposits.

- **Environmental Baseline Studies**

  Environmental baseline studies commenced in Phase I are to be continued and expanded to collect all data pertinent to mine development in Spain.

The total costs for the recommended program, as detailed in Table 12 to the Technical Report, are €730,000 ($985,500 CDN) for Phase I, and € 6,700,000 ($9,045,000 CDN) for Phase II.

THE SANTA MARIA PROPERTY

Stannico's Santa Maria property is located approximately 50 kilometres north of Cacares in Extremadura Province in South Central Spain. A technical report has not been prepared for this property, but Stannico intends to conduct the appropriate drilling programs to determine economic resources for the eluvials and likely potential for the alluvial deposits.

On December 11, 2010 Stannico and QEM entered into a definitive agreement whereby the two will form and enter into a joint venture as it relates to the Santa Maria property. In lieu of the US$200,000 payment required in the original agreement as noted above; Stannico issued 1,386,667 Stannico Shares at a deemed price of $0.15 per share. Upon the issuance of these shares, Stannico has a 60% interest in this joint venture.

SELECTED FINANCIAL INFORMATION AND MANAGEMENT'S DISCUSSION AND ANALYSIS

The following information is taken from and should be read in conjunction with Stannico's financial statements and related notes thereto, as well as management's discussion and analysis for the related periods, included elsewhere in this Filing Statement. The Stannico statements have been prepared in accordance with GAAP. All financial information herein is presented in Canadian dollars.

The following table sets forth selected financial information of Stannico for the year ended December 31, 2009 (audited) and the interim period from January 1, 2010 to September 30, 2010 (unaudited). The selected financial information that follows should be read in conjunction with the audited and unaudited financial statements for the foregoing periods, together with the associated MD&A which are attached to this Filing Statement as Schedules E, F and G.

	Incorporation to December 31, 2008 (audited)	**January 1, 2009 to December 31, 2009 (audited)**	**January 1, 2010 to September 30, 2010 (unaudited)**
Revenue	Nil	Nil	Nil
Income from Operations	Nil	Nil	Nil
Net Loss	$(278,308)	$(544,592)	$(779,895)
Total Assets	$336,889	$1,099,957	$1,754,812
Accounts Payable and Accrued Liabilities	$77,665	$224,202	$575,006
Loan Due to Eurotin	Nil	$25,000	$180,000
Long Term Convertible Debt	$401,288	$470,802	$519,932
Cash Dividends Declared	Nil	Nil	Nil
Cash	$46,390	$309,831	$30,265
Mineral Properties and Deferred Development Expenditure	$243,954	$698,761	$1,661,043

Financial Condition

Stannico's cash balance as at September 30, 2010 was $30,265 (December 31, 2009 - $309,831). The cash balance is a result of the total net proceeds from the private placement of shares of $1,285,875 (2009- $555,000 and 2010 - $730,875) less cash used in operating activities, $962,282 of deferred development costs on the Oropesa Property and general and administrative expenses. Current assets of Stannico as at September 30, 2010 were $86,097 (December 31, 2009 - $394,673), representing cash balance, prepaid expenses and tax credits. Total assets as at September 30, 2010 were $1,754,812 (December 31, 2009 - $1,099,957), which is comprised of current assets of $86,097, equipment for $7,672 and mining properties and deferred acquisition expenditures for $1,661,043. These assets were financed by the proceeds from the private placement of shares, the issuance of shares for the acquisition of mineral properties, and loans. Current liabilities as at September 30, 2010 were $821,107 (December 31, 2009 - $403,451) and are comprised largely of expenditures incurred relating to deferred development costs, convertible loans and general and administrative costs incurred during the first quarter 2010 for which Stannico had not yet paid.

Results of Operations

The net loss for the quarter ended September 30, 2010 was $779,895 (December 31, 2009 - $544,592), and is primarily attributable to stock based compensation, general and administrative expenses and professional fees incurred during the period.

Cash

Cash used in operating activities for the nine month period ended September 30, 2010 was $344,427 and is primarily a result of general and administrative expenses of $98,771, professional fees for $151,442 incurred in the quarter with no offsetting revenue, and net negative changes of $446,667 in non-cash working capital during the period.

Cash from financing activities was $648,478 for the nine month period ended September 30, 2010, which arose from the net proceeds from the private placement of shares. Cash used in investing activities was $664,924, which is mostly attributable to mining properties and deferred exploration expenditures.

Financial Instruments

Stannico's financial instruments consist of cash accounts and other receivables and accounts payable and accrued liabilities and advances payable. Unless otherwise noted Stannico does not expect to be exposed to significant interest, currency or credit risks arising from these financial instruments. Stannico estimates that the fair value of these financial instruments approximates carrying value.

Liquidity and Capital Resources

Stannico has working capital as of September 30, 2010 of $735,010 (December 31, 2009 - $8,777). As at the date hereof, Stannico has cash of approximately $1,397,544.

More detailed discussion is contained in Stannico's MD&A attached to this Filing Statement as Schedules F and G.

DESCRIPTION OF THE SECURITIES

Securities

Stannico is authorized to issue an unlimited number of Stannico Shares without par value and without special rights or restrictions attached, of which 53,532,947 Stannico Shares are issued and outstanding as at the date hereof

The holders of Stannico Shares are entitled to dividends, if, as and when declared by the board of directors, to one vote per share at meetings of the shareholders of Stannico and, upon liquidation, to share equally in such assets of Stannico as are distributable to the holders of the Stannico Shares. All Stannico Shares outstanding after completion of the Transaction will be fully paid and non-assessable. Stannico also a stock option plan pursuant to which 4,941,666 options to purchase Stannico Shares have been granted at an exercise price of $0.20 for a period of 5 years from the date of issuance. Stannico does not have any other issued and outstanding options or convertible securities other than the Stannico Warrants as described below.

In connection with a series of private placements Stannico completed from February 20, 2009 to December 15, 2010, Stannico issued an aggregate of 24,661,653 Stannico Warrants, each entitling the holder to acquire one Stannico Share an exercise price of $0.10 to $0.225 for a period of 24 months from the date of issuance or, in certain cases, until December 31, 2011. See "Prior Sales", below.

Consolidated Capitalization of Stannico

Designation of Security[1]	Amount Authorized or to be Authorized	Amount Outstanding for the Period Ending September 30, 2010	Amount Outstanding as of date of Filing Statement
Common Shares	Unlimited	21,584,616 Common Shares	53,532,947 Common Shares

Notes:

(1) The deficit of Stannico as at September 30, 2010 was $1,670,238.

(2) Stannico also issued 3,675,000 Stannico Options exercisable at an exercise price of $0.20 per share until August 1, 2015 and 1,266,666 Stannico Options exercisable at an exercise price of $0.20 per share until February 1, 2016.

Prior Sales

Since January 1, 2010, 38,858,949 Stannico Shares have been issued as follows:

Date	Number of Common Shares	Issue Price Per Share	Aggregate Issue Price
February 10, 2010(1)	3,836,459	$0.12	$460,375
May 20, 2010(1)	1,393,334	$0.15	$209,000
July 14, 2010(1) (2)	1,680,825	$0.15	$25,212
October 6, 2010(2)	1,430,000	$0.15	$214,500
November 3, 2010(1)	3,931,667	$0.15	$589,750
November 3, 2010(3)	7,333,330	$0.075	$549,999.75
November 10, 2010(4) (1)	1,200,000	$0.15	$180,000
December 15, 2010(1)	16,666,667	$0.15	$2,500,000
January 10, 2011(5)	1,386,667	$0.15	$200,000

Notes:

(1) Private placement of units which also included the issuance of Stannico Warrants as outlined under the chart titled "Warrants", below.

(2) Includes the issuance of 964,160 units on July 14, 2010 and the issuance of 666,667 units on October 6, 2010 to Peter Miller, a director and officer of Stannico.

(3) These Stannico Shares were issued to convert debt at a previously agreed rate of $0.075 per share pursuant to the terms of certain outstanding debentures.

(4) These Stannico Shares were issued as payment pursuant to a drilling services agreement.

(5) These Stannico Shares were issued pursuant to a joint venture agreement.

In addition to the share issuances outlined in the table above, Stannico intends to raise an additional $1,250,000 through the exercise of previously issued Stannico Warrants that is to occur concurrently with the closing of the Qualifying Transaction.

Warrants

Since January 1, 2010, 18,237,715 Stannico Warrants have been issued as follows:

Date of Issuance	Number of Warrants	Exercise Price	Expiry Date
February 10, 2010	2,543,231	$0.15	February 12, 2012
February 10, 2010	2,543,230	$0.18	February 12, 2012
May 20, 2010	696,668	$0.225	May 20, 2012
July 14, 2010	840,413	$0.225	July 14, 2012
October 6, 2010	715,001	$0.225	October 6, 2012
November 3, 2010	1,965,834	$0.225	November 3, 2012
November 10, 2010	600,000	$0.225	November 10, 2012
December 15, 2010	8,333,338	$0.225	December 15, 2012

EXECUTIVE COMPENSATION

Named Executive Officers

Stannico's President and Chief Executive Officer is Peter Miller, who has a consulting agreement with Stannico as described below under the heading "Non-Arm's Length Party Transactions". No officer of Stannico has ever received compensation with respect to serving in that position with the exception of the grant of stock options.

Compensation Discussion and Analysis

This section provides information regarding the compensation program in effect in 2009 for Stannico's senior management. Given its early stage development, Stannico does not have any written policies or procedures for setting compensation However compensation is sought to be awarded in order to achieve the following objectives: (1) provide compensation that is fair and competitive in order to attract and retain well-qualified and experienced executives; (2) focus efforts of executives on business performance; and (3) recognize individual performance.

Stannico has an incentive stock option plan pursuant to which it has it granted incentive securities to its management and consultants; see "Description of the Securities", above.

Summary compensation table

The following table sets forth the compensation earned by the Named Executive Officers for the year ended December 31, 2009.

Name and principal position	Salary ($)	Share-based awards ($)	Option-based awards ($)	Non-equity incentive plan compensation ($)		Pension value ($)	All other compensation ($)	Total compensation ($)
				Annual incentive plans	Long-term incentive plans			
Peter Miller	Nil[(1)]	Nil	Nil	Nil	Nil	Nil	Nil	Nil[(1)]

Notes:

(1) Mr. Miller has a consulting agreement with MEE, Stannico's wholly owned subsidiary. See "Non-Arm's Length Party Transactions", below.

Stannico has not compensated its directors with the exception of the grant of stock options.

NON-ARM'S LENGTH PARTY TRANSACTIONS

Peter Miller, who is a director and officer of Stannico, has a consulting agreement with MEE dated January 1, 2009 (the "**Consulting Agreement**"). Pursuant to the Consulting Agreement, Mr. Miller receives 12 monthly payments of €11,000 along with an end of year lump sum payment of €13,300 and the reimbursement of all travel and business expenses. Mr. Miller also receives an annual car allowance of up to €20,000 and an annual housing allowance of up to €30,000. In the event of the termination of the Consulting Agreement for any reason whatsoever by MEE, Mr. Miller shall be entitled to 24 months' notice or payment of 24 months' severance in lieu of such notice. In addition, Mr. Miller has been paid for his services with Stannico Shares.

LEGAL PROCEEDINGS

There are no legal proceedings material to Stannico to which Stannico is a party to or of which any of its properties are the subject matter. Additionally, to the knowledge of Stannico, there are no such proceedings contemplated or pending.

MATERIAL CONTRACTS

The following are the material contracts of Stannico or its subsidiaries as of the date of this Filing Statement:

1. Amalgamation Agreement;

2. The Consulting Agreement with Peter Miller;

3. An earn-in agreement on the Oropesa Property dated February 15, 2008 with SPIB;

4. A participation agreement on the Oropesa Property dated March 18, 2008 with Minas Tenidas S.A.U.; and

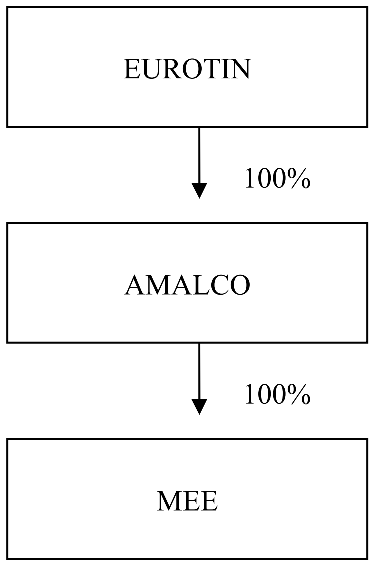
5. A joint venture agreement with Quercus Explorations and Mining dated December 11, 2010 with respect to the Gloria and Santa Maria exploration permits.

INFORMATION CONCERNING THE RESULTING ISSUER

Corporate Structure

Name and Incorporation

The Resulting Issuer will be formed pursuant to the amalgamation of Eurotin Sub with Stannico to form Amalco, which will assume the name of Eurotin Inc. See “Information Concerning Eurotin – Corporate Structure”.



Narrative Description of the Business

After completion of the Transaction, Eurotin will be a junior mining and exploration company and will focus on the exploration and development of the Oropesa Property. The Oropesa Property will be Eurotin’s principal property for the purposes of satisfying the Minimum Listing Requirements for a Tier 2 mining issuer. It will trade on the Exchange under the symbol “TIN”.

To pursue its business objectives, Eurotin will target the milestones and conduct the recommended exploration programs set forth in the Technical Report. See “Information Concerning the Oropesa Property” for additional information.

Eurotin has sufficient working capital to allow Eurotin to fund its operations over the next 12-18 months. Please see below under “Information Concerning the Resulting Issuer – Available Funds and Principal Purposes” for further detail regarding Eurotin’s budgeted use of funds.

Eurotin intends to complete the Phase 1 exploration program as recommended by the Technical Report and as further discussed below under the heading “Available Funds and Principal Purposes and above under the heading “The Property- Recommendations, Phase1”

Description of Securities

The authorized capital of Eurotin consists of an unlimited number of Eurotin Shares without par value. After the completion of the Transaction, there will be 50,242,210 Eurotin Shares issued and outstanding. The holders of the Eurotin Shares will be entitled to vote at all meetings of shareholders of Eurotin Shares, to receive dividends if, as and when declared by the directors and to participate rateably in any distribution of property or assets upon the liquidation, winding-up or other dissolution of Eurotin. The Eurotin Shares will carry no pre-emptive rights, conversion or exchange rights, or redemption, retraction, repurchase, sinking fund or purchase fund provisions. There will be no provisions requiring the holder of Eurotin Shares to contribute additional capital and no restrictions on the issuance of additional securities by

Eurotin. There will be no restrictions on the repurchase or redemption of Eurotin Shares by Eurotin except to the extent that any such repurchase or redemption would render Eurotin insolvent.

Pro Forma Consolidated Capitalization

Designation of Security	Amount Authorized	Amount outstanding after giving effect to the Transaction
Common Shares	Unlimited	50,242,210
Convertible Loans	N/A	Nil
Current Debt	N/A	66,101

Notes:

(1) Excludes Eurotin Shares to be issued on exercise of outstanding convertible securities. See "Fully Diluted Share Capital" below for more information on the fully diluted share capital of the Resulting Issuer.

(2) The pro forma consolidated deficit of Eurotin as of September 30, 2010 was $1,748,085.

(3) Upon the completion of the proposed exercise of Stannico Warrants concurrently with the closing of the Qualifying Transaction, there will be up to 57,977,587 Eurotin Shares issued and outstanding.

Fully Diluted Share Capital

The following sets out the anticipated fully diluted share capital of the Resulting Issuer after giving effect to the Transaction.

Issuance	Number of Securities Issued or Reserved as of Closing	% of Total Upon Closing[(1)]
Eurotin Shares issued and outstanding upon the closing of the Qualifying Transaction	50,242,210	68.1%
Maximum number of Eurotin Shares to be issued pursuant to the concurrent exercise of Stannico Warrants upon the closing of the Qualifying Transaction	7,735,377	10.5%
Eurotin Shares reserved for issuance upon the exercise of previously granted Stannico Options	3,706,250[(2)]	5.0%
Eurotin Shares issuable on exercise of Stannico Warrants on completion of the Qualifying Transaction	10,760,863[(3)(6)]	14.6%
Eurotin Shares issuable pursuant the potential exercise of broker warrants	364,250[(4)]	0.5%
Eurotin Shares issuable upon the potential exercise of Stannico compensation options	937,500[(5)]	1.3%
TOTAL	**73,746,450**	100%

Notes:

(1) Upon completion of the Transaction there will be 50,242,210 Eurotin Shares issued and outstanding, not including Eurotin Shares that are issuable on the exercise of the Eurotin Options and Eurotin (Stannico) Warrants. The percentage of issued and outstanding under each category assumes full exercise of the outstanding convertible securities.

(2) These Eurotin Shares are exercisable at $.267 per share until either August 1, 2015 or February 1, 2016.

(3) These Eurotin Shares are exercisable at $0.13 per share until December 31, 2011 (4,817,954 Eurotin Shares) $0.20 per share until February 10, 2012 (1,907,423 Eurotin Shares) $0.24 per share until February 10, 2012 (1,907,423 Eurotin Shares) $0.30 per share until May 20, 2012 (522,501 Eurotin Shares), $0.30 per share until July 14, 2012 (630,310 Eurotin Shares), $0.30 per share until October 6, 2012 (536,251 Eurotin Shares), $0.30 per share until November 3, 2012 (1,474,376 Eurotin Shares) $0.30 per share until November 10, 2012 (450,000 Eurotin Shares) and $0.30 per share until December 15, 2012 (6,250,003 Eurotin Shares).

(4) Upon the exercise of these broker warrants, these Eurotin Shares are exercisable at $0.10 per share until July 2, 2011.

(5) Upon the exercise of these compensation options an additional 624,500 Stannico Shares and 312,500 Stannico Warrants will be issued exercisable at $0.20 per unit until December 15, 2012, with the 312,500 Stannico Warrants exercisable at $0.30 until December 15, 2012.

(6) Does not include the up to 7,735,377 Eurotin Warrants that will be exercised concurrently with the closing of the Qualifying Transaction.

Available Funds and Principal Purposes

Funds Available

The following table sets forth the estimated total funds available to the Resulting Issuer upon completion of the Transaction:

Source of Funds	
Working capital of Eurotin as at March 15, 2011	$16,397
Working capital of Stannico as at March 15, 2011	$981,343
Funds Raised through the exercise of Stannico Warrants concurrently with the closing of the Qualifying Transaction	$1,250,000
TOTAL	**$2,247,740**

Please refer to the financial statements of Eurotin attached to the Filing Statement as Schedules A and B, the financial statements of Stannico attached to the Filing Statement as Schedule E, and the pro forma financial statements attached to the Filing Statement as Schedule H.

The principal purpose of such funds, after giving effect to the Transaction, will be for, among other things, working capital and future exploration activities on the Oropesa Property as set out in the Technical Report. Specifically, the Resulting Issuer intends to use the funds available for the following purposes:

Use of Funds	
Costs of Transaction Completion	$175,000
Completion of Phase 1 Exploration Program on the Oropesa Property	$985,000
Payments in respect of the Oropesa Property during the next 12 months	$25,000
General and Administrative Expenses for 12 months	$750,000
Travelling Expenses	$50,000
Operations and Business Development	$75,000
Unallocated working capital	$187,740
TOTAL	**$2,247,740**

The Resulting Issuer intends to spend the funds available to it on completion of the Transaction as set forth above. There may be circumstances, where, for sound business reasons, a reallocation of funds may be necessary. The estimated cost to complete Phase 2 of the exploration program for the Oropesa Property is $9,045,000, subject to the results of Phase 1. For more information on the exploration phases planned for the Oropesa Property see "Information Concerning the Oropesa Property".

Dividends

Eurotin has not paid any dividends since incorporation and it has no plans to pay dividends. The directors of Eurotin will determine if and when dividends should be declared and paid in the future based on the financial position of Eurotin at the relevant time. All of the Eurotin Shares are entitled to an equal share in any dividends declared and paid.

Principal Securityholders

None of the shareholders of the Resulting Issuer is expected to own, directly or indirectly, or exercise control or direction over Eurotin Shares carrying more than 10% of all voting rights in Eurotin with the exception of Dundee Corporation, which will own approximately 12.4% of the Eurotin Shares.

The percentage of Eurotin Shares beneficially owned, directly or indirectly, by promoters, directors, senior officers, Insiders and Control Persons of Eurotin, collectively, is 21% before giving effect to the Transaction and is approximately 11% (on a non-diluted basis) after giving effect to the Transaction.

Directors, Officers and Promoters

Name, Address, Occupation and Security Holdings

The following table sets out the names of the proposed directors and officers of the Resulting Issuer, one of which is a current director of Eurotin, their municipalities of residence, their current positions with Eurotin, if applicable, their principal occupations during the past five years and the number of Shares beneficially owned, directly or indirectly, or over which control or direction is exercised. Each director will hold office until the conclusion of the next annual meeting of the Resulting Issuer or, if no director is then elected, until a successor is elected. Mr. Danziger has been a director of Eurotin since July 31, 2008 and Mr. Miller has been a director of Stannico since October 9, 2008.

Name, Municipality of Residence and Position with Resulting Issuer	**Principal Occupation for Past Five Years**	**Number of Shares Held After Giving Effect to the Transaction** (2)	**Proposed Position With Resulting Issuer**	**Percentage After Completion of the Transaction** (3)	**Percentage After Completion of the Transaction and Concurrent Exercise of Warrants**
John David Trapman (51), Amsterdam, The Netherlands	Director Peachtree Film	818,750	Director	1.6%	1.4%
Francisco Fimbres (52), Kennebunk, Maine USA	President – Mineral Dressing Solutions LLC Plant Director – Minas de Aguas Tenidas SAU Plant Manager – Apollo Gold Corp.	62,500	Director	0.1%	0.1%

Name, Municipality of Residence and Position with Resulting Issuer	Principal Occupation for Past Five Years	Number of Shares Held After Giving Effect to the Transaction (2)	Proposed Position With Resulting Issuer	Percentage After Completion of the Transaction (3)	Percentage After Completion of the Transaction and Concurrent Exercise of Warrants
Peter Mansfield Miller (61), United Kingdom	President/CEO, Minas De Estano De Espana President/CEO, Iberian Minerals Corp.	3,848,113	President/CEO, Corporate Secretary and Director	7.6%	6.7%
Harvey McKenzie (64) Toronto, Ontario	Corporate Consultant Chief Financial Officer, Iberian Minerals Corp.	N/A	Chief Financial Officer	N/A	N/A
David Danziger (54) Toronto, Ontario	Partner, MSCM LLP	1,100,000	Director	2.2%	1.9%
Colin Jones (51) Toronto, Ontario	Dundee Resources Limited, Executive Vice President	N/A	Director	N/A	N/A
John Hick (61) Toronto, Ontario	John W.W. Hick Consultants Inc. – President	N/A	Director	N/A	N/A
TOTAL		**5,829,370**		**11.5%**	**10.1%**

Notes:

(1) It is expected that the audit committee will consist of David Danziger, John Hick and Peter Miller; however, members of the various committees of the Resulting Issuer will be determined at the first board meeting. Each director holds office until the next annual meeting of shareholders.

(2) These Eurotin Shares are subject to escrow restrictions. See "Escrowed Securities".

(3) These percentages have been calculated without including any shares that may be issued upon the exercise of the stock options granted to directors and officers and other eligible persons under the Stock Option Plan. These calculations assume that upon completion of the Transaction that there will be 50,242,210 Eurotin Shares issued and outstanding.

(4) Immediately following the closing of the Transaction, Mr. Miller, Mr. Danziger, Mr. Jones and Mr. Hick will be the directors of the Resulting Issuer. Mr. Trapman and Mr. Fimbres will also be nominated for appointment as directors of the Resulting Issuer at the inaugural meeting of shareholders of the Resulting Issuer.

The following is a brief description of all of the directors and officers of the Resulting Issuer:

***Peter Miller**, B.Sc (Geol), MBA, C.Sci., President, CEO Corporate Secretary & Director.* In 1970, Peter Miller began his career as a mine geologist on Libanon gold mine in South Africa. From 1974 to 1985, he was with leading South African brokerage houses, where he was several times voted the country's top mining analyst. In 1982, he co-founded MasterBore, which grew to become South Africa's second largest drilling company over the following five years. In 1985, he returned to the UK to become a senior mining analyst with Shearson Lehman Brothers and shortly thereafter joined Canada's Yorkton Securities as both a senior mining analyst and corporate financier. In 1997, he founded Icelandic Gold, which ultimately became Iberian Minerals – during the period 1999-2008, while he was President and CEO, the company bought and then developed the $500 million Aguas Tenidas copper/zinc mine in southern Spain, as well as purchased the Condestable copper mine in Peru. In 2008, he acquired the option rights to majority interests (96% and 85%) in two tin projects in Spain, which will shortly become the principal assets of the Resulting Issuer.

***Harvey McKenzie**, B.Sc (Hons) C.A., Chief Financial Officer.* Mr. McKenzie is a Chartered Accountant with more than 35 years' accounting experience, including seven years with an international public accounting firm. Most recently, he has spent more than ten years as the CFO for several Canadian publicly listed exploration, development, and producing mining companies, most notably with Sino Vandium Inc., Iberian Minerals (with properties in Spain and Peru), Asian Mineral Resources, and Eurasia Gold. Following his years in public accounting at PricewaterhouseCoopers and Ernst & Young, his public-company experience includes the TSX, TSXV and AIM, which gives him a solid grasp of global reporting standards, IFRS, and consolidation of reporting for worldwide entities.

***David Danziger,** BComm., Director.* Mr. Danziger is currently a senior partner at MSCM LLP, Chartered Accountants, a full service audit and accounting firm located in Toronto. Mr. Danziger has over 25 years experience in audit, accounting and management consulting and over 10 years specific in the mineral resource sector. He is currently a Director for Cadillac Ventures (TSXV), Eurotin Inc. (TSXV), Aumento Capital Corporation (TSXV), Carpathian Gold Inc. (TSX) and Renforth Resources (CNSX). He is also the President and CEO of Renforth Resources. Mr. Danziger graduated with a B.Comm from the University of Toronto.

Francisco Fimbres, B.Sc., *Director.* Beginning in 1981 Francisco Fimbres experience encompassed a progressive advancement that started from front line supervisor to Plant Superintendent in Mexico's Mega Copper Mines. It included leading the successful $300 million Cananea New Concentrator start up that accomplished full capacity just 4 months of start up; He then served as Chief Metallurgist in massive Zinc-Lead-Silver deposit in Honduras. In 1990 he returned to the USA holding key positions as Operations Superintendent and Plant Manager in various sulfide and industrial mineral deposits for Molycorp, Rio Tinto, and Montana Tunnels. In an international forum as Plant Director he lead the process design, and construction management on client side for the Aguas Tenidas copper/zinc mine in southern Spain. In 2009 he founded Mineral Dressing Solutions consulting firm providing engineering, process, and constructions expertise for various mid and large projects in USA and Mexico.

John Trapman, *B.A., Director.* John Trapman graduated with a B.A. in Economics from the University of Western Ontario in 1981. He has lived in the Netherlands since 1983 and worked for six years in the financial markets as a market maker at the Amsterdam Options Exchange. In 1990, he founded Peachtree Film, a successful film production company. Mr. Trapman has broad investor communication skills and media experience, which has included the production of commercials, feature films and television dramas. John produced *Festival Express* which was released in the United States and Canada in July 2004. In 2006, he combined his work in the film and financial markets and then co-structured $270 million of film funding together with Grand Army Entertainment and Bank of America. At present, Mr. Trapman is a director and a significant shareholder of SiHold BV a Low Latency trading company based in Amsterdam. Mr. Trapman has been a keen investor in early stage resource companies and was a founder shareholder in both Iberian Minerals and Stannico.

***Colin Jones** B.Sc., Director.* Colin Jones currently serves as an Executive Vice President of Dundee Resources Limited. Mr. Jones has 30 years experience as a mining, exploration and consulting geologist and is experienced in a number of different geological environments. He has worked on all continents on producing mines, as part of feasibility teams and as an explorationist. From 1998 to 2006, Mr. Jones served as Partner and Manager Audits for RSG Global and from 1994 to 1998, he served as a Exploration Manager for Freeport Indonesia. Mr. Jones has been a Director of Helio Resource Corp., since January 21, 2008, GEODRILL Limited since November 15, 2010 and Premium Exploration, Inc. since July 2010. Mr. Jones served as a Director of Odyssey Resources Ltd., from January 2008 to September 2008. Mr. Jones has a Bachelor of Science (Earth Sciences) from Massey University, NZ and is a Member of the Australasian Institute of Mining and Metallurgy.

***John Hick** B.A., LL.B, Director.* John Hick is the President and Director of John W. W. Hick Consultants Inc., which provides consulting services to public and private companies in the areas of corporate restructuring, acquisitions, financial and executive management and financing. Prior thereto, Mr. Hick was the President and Chief Executive Officer of Medoro Resources Ltd. from October 2009 to September 2010, the Vice Chairman and Director of Rio Narcea Gold Mines, Ltd. from January 2006 to June 2006; and the Chief Executive Officer of Rio Narcea Gold Mines, Ltd. from December 2004 to December 2005.

Work Commitment to the Resulting Issuer

Harvey McKenzie will devote approximately 2 business days per week to his role as chief financial officer of the Resulting Issuer. All other officers will devote 100% of their time to the business of the Resulting Issuer. It is not currently expected that any of the officers will enter into non-competition agreements with the Resulting Issuer.

Promoter Consideration

Peter Miller may be considered to be a promoter of Stannico, in that he took the initiative in founding and organizing Stannico. Mr. Miller has compensation pursuant to the Consulting Agreement described above under “Non-Arm’s Length Transactions”. See table under heading above “Information Concerning the Resulting Issuer - Directors, Officers and Promoters” for Mr. Miller’s share holdings.

Corporate Cease Trade Orders or Bankruptcies

Harvey McKenzie was the Chief Financial Officer of Thistle Mining Inc. when the Ontario Securities Commission issued a management cease trade order against the officers and directors of Thistle Mining Inc. on April 18, 2005 as a result of Thistle Mining failing to file its financial statements for the year ended December 31, 2004. The orders were subsequently revoked on November 1, 2005. In addition, on January 7, 2005, Thistle Mining obtained protection from creditors pursuant to the *Companies’ Creditors Arrangement Act,* (Canada*).*

In addition, Mr. McKenzie is a director and Chief Financial Officer of Manor Global Inc. (“Manor”), a TSX Venture Exchange (“TSXV”) Capital Pool Company (“CPC”). The TSXV suspended trading of Manor shares as the two year CPC life span expired without completion of a Qualifying Transaction. The Corporation has been moved to the NEX market of the TSXV and trading remains suspended.

Mr. Danziger was formerly a director of Fareport Capital Inc. (“Fareport”). On September 13, 2005, Mr. Danziger was named in a Management Cease Trade Order (the “Order”) imposed against certain existing and former insiders or individuals otherwise related to Fareport due to failure to file financial statements on time. The order was allowed to lapse/expire as of May 29, 2007.

Mr. Danziger served as a director of Hedman Resources Limited (“Hedman”) from January of 2002 until March 2006. Hedman was subject to two cease trade orders during his tenure as a director. A cease trade order was issued in May of 2004 by the Ontario Securities Commission, and in June of 2004 by the Securities Commissions of British Columbia, and Alberta, and was issued because of a failure to file annual financial statements for the year ended December 31, 2003 and first quarter interim unaudited financial statements for the period ended March 31, 2004. The cease trade order was revoked in August 2004 in the Province of British Columbia and September of 2004 in the Provinces of Ontario and Alberta. In December of 2005 the Ontario Securities Commission and the British Columbia Securities Commission issued a cease trade order due to failure to file third quarter financial statements as well as Management’s Discussion and Analysis for that period, and the Exchange issued a suspension order. Hedman was informed that it had 90 days to file for reinstatement and satisfactorily demonstrate Tier 2 compliance, failing which Hedman would be transferred to the NEX. Hedman ultimately resolved all issues and resumed trading on the Exchange. The cease trade order was revoked in British Columbia on January 31, 2006, and in Ontario on February 21, 2006.

Other than as disclosed herein, no director, officer, Insider, Control Person or promoter of the Resulting Issuer has, within the last 10 years, been a director, officer or promoter of any company that, while such person was acting in that capacity, was the subject of a cease trade or similar order or an order that denied the company access to any exemptions under applicable securities laws for a period of more than 30 consecutive days or became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of that company.

Penalties or Sanctions

Other than as disclosed herein, no director, officer, Insider, Control Person or promoter of the Resulting Issuer has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority or has been subject to any other penalties or sanctions imposed by a court or regulatory body or self-regulating authority that would be likely to be considered important to a reasonable investor making an investment decision.

Personal Bankruptcies

No director, officer, Insider, Control Person or promoter of the Resulting Issuer or a shareholder holding a sufficient number of securities of the Resulting Issuer to affect materially the control of the Resulting Issuer, or a personal holding company of any such persons has, within the 10 years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of the individual.

Conflicts of Interest

There are potential conflicts of interest to which some of the directors, officers, Insiders and promoters of the Resulting Issuer will be subject in connection with the operations of the Resulting Issuer. Some of the directors, officers, Insiders and promoters are engaged in and will continue to be engaged in corporations or businesses which may be in competition with the search by the Resulting Issuer for businesses or assets in order to close a Qualifying Transaction. Accordingly, situations may arise where some of the directors, officers, Insiders and promoters will be in direct competition with the Resulting Issuer. Conflicts, if any, will be subject to the procedures and remedies as provided under the OBCA.

Other Reporting Issuer Experience

The following table sets out the proposed directors, officers and promoter(s) of the Resulting Issuer that are, or have been within the last five years, directors, officers or promoters of other issuers that are or were reporting issuers in any Canadian jurisdiction:

Name	**Name of Reporting Issuer**	**Name of Exchange or Market (if applicable)**	**Position**	**From**	**To**
Peter Miller	Iberian Minerals Corp.	TSXV	President and CEO	March 1999	January 2008
	Simberi Gold Corporation	TSXV	President and CEO	December 2003	June 2005
Harvey McKenzie	Thistle Mining Inc.	TSX and AIM	CFO	March 1999	August, 2005
	Petrolympic Inc.	TSXV	CFO	January 2008	August 2008
	Manor Global Inc.	TSXV	Director and Chief Financial Officer	February 2006	Present
	Asian Mineral Resources Limited	TSXV	Chief Financial Officer	July 2006	January 2008
	Outlook Resources Inc.	TSXV	Director	June 2006	September 2006
David Danziger	Fareport Capital Inc.	TSXV	Director	March 2004	June 2006
	Richview Resources Inc.	TSX	Director, Chairman	May 2007	December 2009
	Minacs Worldwide Inc.	TSX	Director	February 2006	August 2006
	Talware Networx Inc.	TSXV	Director, Chairman	April 2008	January 2009
	Simberi Mining Corporation	TSXV	Director	March 2008	September 2008
	Renforth Resources Inc.	CNSX	President, CEO, Chairman and Director	November 2006	Present
	Eurotin Inc.	TSXV	President, CEO, CFO, and	August 2008	Present

Name	Name of Reporting Issuer	Name of Exchange or Market (if applicable)	Position	From	To
			Director		
	Cadillac Ventures Inc.	TSXV	Director	January 2010	Present
	Hedman Resources Limited	TSXV	Director, Chairman	January 2002	March 2006
	Aumento Capital Corporation	TSXV	Director, President, Chief Executive Officer, Chief Financial Officer, and Secretary	October 2010	Present
	Carpathian Gold Inc.	TSX	Director	October 2010	Present
John Hick	Cambior Inc.	TSX	Director	June 2000	November 2006
	Revett Minerals Inc.,	TSX	Director	February 2005	June 2009
	Aeroquest International Ltd.	TSX	Director	December 5, 2008	Present
	First Uranium Corporation	TSX	Director	December 2006	Present
	Carpathian Gold Inc.	TSX	Director	November 2006	Present
	Hudson Resources Inc.	TSXV	Director	September 2002	Present
	Marengo Mining Ltd.	TSX	Director	May 2008	Present
	Timminco Limited	TSX	Director	May 2009	Present

Executive Compensation

Compensation Discussion and Analysis

Upon completion of the Qualifying Transaction, the Resulting Issuer anticipates that the board of directors will determine all compensation matters relating to executive management.

Summary Compensation Table

The Resulting Issuer will have 2 Named Executive Officers, as defined below, Peter Miller and Harvey McKenzie.

The particulars of compensation expected to be paid to the following executive officers for services to the Resulting Issuer upon completion of the Qualifying Transaction:

(a) the individual who served as our chief executive officer or acted in a similar capacity ("**CEO**") during the most recently completed financial year;

(b) the individual who served as our chief financial officer or acted in a similar capacity ("**CFO**") during the most recently completed financial year;

(c) each of our three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than $150,000, as determined by 1.3(6) of Form 51-102F6 and

(d) each individual who would be an Named Executive Officer under paragraph (c) but for the fact that the individual was neither an executive officer of the company, nor acting in a similar capacity, at the end of that financial year,

(each of whom is a "**Named Executive Officer**"), will all be determined by the board of directors of the Resulting Issuer. In addition, Mr. Miller will continue to be compensated pursuant to the Consulting Agreement as further described under the heading "Non-Arm's Length Transactions", above.

Option-based Awards

Stannico previously granted 4,941,666 Stannico Options to certain individuals. The Resulting Issuer may grant additional incentive stock options to the New Principals. See "Stock Option Plan and Options to Purchase Securities" below.

Incentive Plan Awards

Upon completion of the Qualifying Transaction, the Eurotin's Stock Option Plan will become a 10% rolling stock plan of the Resulting Issuer. See "Stock Option Plan and Options to Purchase Securities" below.

Pension Plan Benefits

The Resulting Issuer does not intend to enact any deferred compensation plan or pension plan that provides for payments or benefits at, following or in connection with retirement.

Termination and Change of Control Benefit

Peter Miller executed the Consulting Agreement with Stannico as further described above. Among other things, the Consulting Agreement provides that Mr. Miller terminated at any time, he will receive a payment equal to 24 months of his base salary.

Director Compensation

The Resulting Issuer will have six directors, one of whom, Peter Miller, is also a Named Executive Officer. For a description of the compensation to be paid to the Named Executive Officers who will also act as directors of the Resulting Issuer, see "Summary Compensation Table" above.

Upon Completion of the Qualifying Transaction, it is anticipated that the Resulting Issuer's board of directors will determine the amount, if any, of cash compensation that will be paid to directors for services rendered to the Resulting Issuer by them in that capacity. However, it is not anticipated that directors who are otherwise employed by or engaged to provide services to the Resulting Issuer, will be paid an annual director's fee. The only type of compensation the Board intends to pay to directors of the Resulting Issuer is the grant of incentive stock options. The estimated dollar value of this compensation cannot be provided as it is determined as grant date fair value.

Share-Based Awards, Option based Awards and Non-Equity Incentive Plan Compensation

The Resulting Issuer's board of directors will determine share-based awards, option based awards or the establishment of any non-equity incentive plans.

Indebtedness of Directors and Officers

None of the directors or officers of Resulting Issuer are indebted to Resulting Issuer as at the date of this Filing Statement.

Investor Relations Arrangements

The Resulting Issuer has not entered into any written or oral agreement or understanding with any person to provide any promotional or investor relations services for the Resulting Issuer or its securities or to engage in activities for the purposes of stabilizing the market. However, Stannico currently engages the services of Outsource Services Limited to engage in certain investor relation activities in Europe and the board of directors of the Resulting Issuer may decide to engage this or another entity to provide such services following the completion of the Transaction.

Stock Option Plan and Options to Purchase Securities

At its annual general meeting held on July 12, 2010, the shareholders of Eurotin approved its Stock Option Plan, as required by the policies of the Exchange. The Stock Option Plan converts into a 10% rolling plan automatically upon completion of a Qualifying Transaction. The number of Eurotin Shares that will be reserved for issuance under the Stock Option Plan will be 1,009,250 while Eurotin is a CPC under the CPC Policy and until Eurotin completes a Qualifying Transaction as defined in the CPC Policy. The maximum number of aggregate Eurotin Shares that may be reserved for issuance under the Stock Option Plan at any point in time, other than as set out in the preceding sentence (i.e. after Completion of the Qualifying Transaction), is 10% of the issued Eurotin Shares at the time shares are reserved for issuance under stock options granted under the Stock Option Plan, unless the Stock Option Plan is amended in accordance with the requirements of Exchange policies and, if applicable, NEX policies of the Exchange. The option prices will be determined by the Board of Directors at the time of the grant and shall be in accordance with the policies of the Exchange with respect to discounted market price. Any options granted under the Stock Option Plan shall expire 90 days after the recipient is no longer employed with or engaged by Eurotin, except that this expiry date shall be shortened to 30 days in the case of investor relations professionals and extended to one year in the case of death of the Stock Option grantee.

For further details on the Stock Option Plan please refer to the Company's Information Circular dated June 11, 2010 and posted on www.sedar.com.

As of the Closing Date, Eurotin has reserved 3,706,250 Eurotin Shares under options granted to the recipients noted in the table below in accordance with the Stock Option Plan and the applicable policies of the Exchange:

Optionee	Number of Shares reserved under existing Stannico Options	Number of Shares to be reserved under options granted upon completion of the Transaction	Exercise Price Per Share	Expiry Date
Peter Miller	1,000,000	750,000	$0.267	August 1, 2015
David Danziger	700,000	525,000	$0.267	August 1, 2015
Paul Pathak	300,000	225,000	$0.267	August 1, 2015
Francisco Fimbres	400,000	300,000	$0.267	August 1, 2015
John Trapman	300,000	225,000	$0.267	August 1, 2015
Norm Brewster	300,000	225,000	$0.267	August 1, 2015
Victor Guerrero	225,000	168,750	$0.267	August 1, 2015
Roberto Rodriguez	225,000	168,750	$0.267	August 1, 2015
Eduardo Olarte	225,000	168,750	$0.267	August 1, 2015
Roger Taylor	266,667	200,000	$0.267	February 1, 2016
Patricia Campos Castano	33,333	25,000	$0.267	February 1, 2016
Francisco Cabanate Marquez	33,333	25,000	$0.267	February 1, 2016
Jairo Gomez Florido	33,333	25,000	$0.267	February 1, 2016
Colin Jones	300,000	225,000	$0.267	February 1, 2016
John Hick	300,000	225,000	$0.267	February 1, 2016
Harvey McKenzie	300,000	225,000	$0.267	February 1, 2016
TOTAL	**4,941,666**	**3,706,250**		

Escrowed Securities

The following table sets out the number of Eurotin Shares, which are anticipated to be held in escrow after giving effect to the Transaction. These include the Eurotin Shares that remain subject to escrow under the CPC Escrow Agreement, and the Eurotin Shares subject to the Value Escrow Agreement.

		Prior to Giving Effect to the Transaction		After Giving Effect to the Transaction		
Name and Municipality of Residence of Shareholder	**Designation of Class**	**Number of Securities held in Escrow**	**Percentage of Securities Held in Escrow**	**Number of Securities Held in Escrow**	**Percentage of Securities Held in Escrow**	**Percentage Held in Escrow Assuming the Exercise of Warrants on Closing**
CPC Escrow Agreement						
David Danziger Toronto, Ontario	Eurotin Shares	1,000,000	9.9%	1,000,000	2.0.%	1.7%
Minhas Mohamed Toronto, Ontario	Eurotin Shares	400,000	4.0%	400,000	0.8%	0.7%
Paul Pathak Toronto, Ontario	Eurotin Shares	1,000,000	9.9%	1,000,000	2.0%	1.7%
Michael Baybak Clearwater, Florida	Eurotin Shares	1,400,000	13.9%	1,400,000	2.8%	2.4%
Anglo Mongolian Gold Corp. Whitehorse, Yukon	Eurotin Shares	500,000	5.0%	500,000	1.0%	0.9%
Omar Fattah Zouk Mosbeh, Lebanon	Eurotin Shares	500,000	5.0%	500,000	1.0%	0.9%
Harbourmasters Inc. Toronto, Ontario	Eurotin Shares	400,000	4.0%	400,000	0.8%	0.7%
Altitude Investments Inc. Mississauga, Ontario	Eurotin Shares	200,000	2.0%	200,000	0.4%	0.3%
Isabella Lee Richmond Hill, Ontario	Eurotin Shares	50,000	0.5%	50,000	0.1%	0.1%
Geoffrey Liang Richmond Hill, Ontario	Eurotin Shares	100,000	1.0%	100,000	0.2%	0.2%

		Prior to Giving Effect to the Transaction		After Giving Effect to the Transaction		
Name and Municipality of Residence of Shareholder	**Designation of Class**	**Number of Securities held in Escrow**	**Percentage of Securities Held in Escrow**	**Number of Securities Held in Escrow**	**Percentage of Securities Held in Escrow**	**Percentage Held in Escrow Assuming the Exercise of Warrants on Closing**
Oscar Investments Inc. Oakville, Ontario	Eurotin Shares	100,000	1.0%	100,000	0.2%	0.2%
Nicole Brewster Ajax, Ontario	Eurotin Shares	200,000	2.0%	200,000	0.4%	0.3%
Cat Brokerage AG Adliswil, Switzerland	Eurotin Shares	200,000	2.0%	200,000	0.4%	0.3%
Risa Sokoloff Professional Corporation Toronto, Ontario	Eurotin Shares	400,000	4.0%	400,000	0.8%	0.7%
SUB-TOTAL		**6,450,000**		**6,450,000**		
Value Escrow Agreement						
John David Trapman, Amsterdam, The Netherlands	Stannico Shares Stannico Warrants	1,091,666 283,334	2.0% 1.1%	818,750 212,500	1.6% 1.1%	1.4% 2.0%
Francisco Fimbres, Kennebunk, Maine USA	Stannico Shares Stannico Warrants	83,333 83,334	0.2% 0.3%	62,500 62,500	0.1% 0.3%	0.1% 0.6%
Peter Mansfield Miller United Kingdom	Stannico Shares Stannico Warrants	5,130,817 815,414	9.6% 3.3%	3,848,113 611,560	7.7% 3.3%	6.7% 5.7%
David Danziger Toronto, Ontario	Stannico Shares Stannico Warrants	133,333 133,333	0.2% 0.5%	100,000 100,000	0.2% 0.5%	0.2% 0.9%
Norman Brewster Ajax, Ontario	Stannico Shares	4,233,333	7.9%	3,175,000	6.3%	5.5%
SUB-TOTAL		**11,987,897**	**N/A**	**8,990,923**		
TOTAL ESCROW		**18,437,897**		**15,440,923**		

Notes:

(1) These Eurotin Shares are held in escrow under the CPC Escrow Agreement, which provides for the staged release from escrow of the holder's Eurotin Shares over a 36 month period from the date of the Completion of the Qualifying Transaction with 10% as of the date of the Completion of the Qualifying Transaction with an additional 15% released on the 6, 12, 18, 24, 30 and 36 month anniversaries of the Completion of the Qualifying Transaction.

(2) These numbers do not reflect the 10% release of the Eurotin Shares held under the CPC Escrow Agreement as of the date of the Completion of the Qualifying Transaction.

Auditor, Transfer Agent and Registrar

The auditors of the Resulting Issuer will be Shimmerman Penn LLP Chartered Accountants, located at 30 St. Clair Avenue West, Suite 400, Toronto, Ontario M4V 3A1.

The Transfer Agent and Registrar of the Resulting Issuer will be Equity Financial Trust Company, 200 University Avenue, Suite 400, Toronto ON, M5H 4H1.

GENERAL MATTERS

Opinions

James G. Burns, the author of the Technical Report, is the responsible independent qualified person in accordance with NI 43-101.

Interest of Experts

Eurotin is not aware that James G. Burns, the author of the Technical Report, has any interest in the Oropesa Property or Stannico.

Other Material Facts

To the best of the knowledge of management of the Resulting Issuer, there are no other material facts concerning the Resulting Issuer or the proposed Qualifying Transaction.

Board Approval

The Board of Directors of Eurotin has approved the contents of this Filing Statement.

Financial Statements

The following financial statements and related management discussion and analysis are attached and form a part of this Filing Statement:

Description	Schedule
Audited financial statements of Eurotin for the year ended December 31, 2009.	See Schedule "A" to this Filing Statement.
Unaudited interim financial statements of Eurotin for the interim period ended September 30, 2010.	See Schedule "B" to this Filing Statement.
Management discussion and analysis of Eurotin for the year ended December 31, 2009.	See Schedule "C" to this Filing Statement.
Management discussion and analysis of Eurotin for the interim period ended September 30, 2010.	See Schedule "D" to this Filing Statement.
Audited financial statements of Stannico for the year ended December 31, 2007, 2008 and 2009 and unaudited interim financial statements of Stannico for the interim period ended September 30, 2010.	See Schedule "E" to this Filing Statement.
Management discussion and analysis of Stannico for the	See Schedule "F" to this Filing Statement.

Description	Schedule
year ended December 31, 2009.	
Management discussion and analysis of Stannico for the interim period ended September 30, 2010.	See Schedule “G” to this Filing Statement.
Pro Forma financial statements for the Resulting Issuer giving effect to the Transaction as at September 30, 2010	See Schedule “H” to this Filing Statement.

CONSENT OF TECHNICAL REPORT AUTHOR

TO: TSX Venture Exchange Inc.
British Columbia Securities Commission
Alberta Securities Commission
Ontario Securities Commission

I, James G. Burns, do hereby consent to the written disclosure of extracts of the technical report titled "NI 43-101 Technical Report for the Oropesa Property, Cordoba Province, Region of Andalucia, Spain of Minas de Estano de Espana, S.L.U.", and dated effective January 19, 2011 (the "**Technical Report**") within the filing statement of Eurotin Inc., dated March 15, 2011 (the "**Filing Statement**").

I hereby confirm that I have read the written disclosure of the Technical Report and of extract from the Technical Report contained and incorporated by reference in the Filing Statement and have no reason to believe that such disclosure does not fairly and accurately represent the information in the Technical Report that supports the disclosure.

Dated this 15th day of March, 2011

(signed)________________________________
James G. Burns

CONSENT OF THE AUDITORS

We have read the Filing Statement ("Statement") of Eurotin Inc**.** ("Eurotin") dated March 15, 2011 relating to a Qualifying Transaction involving the acquisition by Eurotin of all of the issued and outstanding securities of Stannico Resources Inc. ("Stannico"). We have complied with Canadian generally accepted standards for an auditor's involvement with filing documents.

We consent to the incorporation by reference in the above-mentioned Statement of our auditors' report to the Directors of Stannico on the consolidated balance sheets as at December 31, 2009, 2008 and 2007 and the consolidated statements of operations and comprehensive loss, deficit and cash flows for the years then ended. Our report to the Directors of Stannico was dated January 31, 2011.

The undersigned has no reason to believe that there are any misrepresentations in the information contained in the Filing Statement derived from the Stannico financial statements or within the knowledge of the undersigned as a result of the audit of such financial statements.

"*DALE MATHESON CARR-HILTON LABONTE LLP*"

DALE MATHESON CARR-HILTON LABONTE LLP
Vancouver, British Columbia
March 15, 2011

We have read the Filing Statement ("Statement") of Eurotin Inc**.** ("Eurotin") dated March 15, 2011 relating to a Qualifying Transaction involving the acquisition by Eurotin of all of the issued and outstanding securities of Stannico Resources Inc. ("Stannico"). We have complied with Canadian generally accepted standards for an auditor's involvement with filing documents.

We consent to the incorporation by reference in the above-mentioned Statement of our auditors' report to the Directors of Eurotin on the balance sheets as at December 31, 2009 and 2008 and the statements of loss and comprehensive loss, changes in shareholders' equity and cash flows for the periods then ended. Our report to the Directors of Eurotin was dated March 12, 2010.

The undersigned has no reason to believe that there are any misrepresentations in the information contained in the Statement derived from the Eurotin financial statements or within the knowledge of the undersigned as a result of the audit of such financial statements.

"*SHIMMERMAN PENN LLP*"

SHIMMERMAN PENN LLP
Toronto, Ontario
March 15, 2011

CERTIFICATE OF EUROTIN INC.

The foregoing constitutes full, true and plain disclosure of all material facts relating to the securities of Eurotin Inc. assuming completion of the Qualifying Transaction.

By order of the Board of Directors

DATED at Toronto, Ontario, this 15th day of March, 2011.

(signed)
David Danziger
President, Chief Executive Officer and Chief Financial Officer

ON BEHALF OF THE BOARD OF DIRECTORS

(signed) Minhas Mohamed Director	*(signed)* Paul Pathak Director

(signed)
David Danziger
Director

CERTIFICATE OF STANNICO RESOURCES INC.

The foregoing constitutes full, true and plain disclosure of all material facts relating to the securities of Stannico Resources Inc.

By order of the Board of Directors

DATED at Toronto, Ontario, this 15th day of March, 2011.

(signed)
Peter Miller, President and Chief Executive Officer

ON BEHALF OF THE BOARD OF DIRECTORS

(signed)
Norman Brewster
Director

ON BEHALF OF THE PROMOTER

(signed)
Peter Miller

ACKNOWLEDGEMENT
PERSONAL INFORMATION

"Personal Information" means any information about an identifiable individual, and includes information contained in any Items in the attached filing statement that are analogous to Items 4.2, 11, 12.1, 15, 17.2, 18.2, 23, 24, 26, 31.3, 32, 33, 34, 35, 36, 37, 38, 40 and 41 of Exchange Form 3B2, as applicable.

The undersigned hereby acknowledges and agrees that it has obtained the express written consent of each individual to:

(a) the disclosure of Personal Information by the undersigned to the Exchange (as defined in Appendix 6B) pursuant to this Filing Statement; and

(b) the collection, use and disclosure of Personal Information by the Exchange for the purposes described in Appendix 6B or as otherwise identified by the Exchange, from time to time.

DATED at Toronto, Ontario, this 15th day of March, 2011.

(signed)
David Danziger
President, Chief Financial Officer and Chief Executive Officer

SCHEDULE A

AUDITED FINANCIAL STATEMENTS FOR EUROTIN FOR THE YEAR ENDED DECEMBER 31, 2009

Eurotin Inc.

(A Capital Pool Corporation)

Financial Statements

December 31, 2009

Auditors' Report

To the Directors of
Eurotin Inc.
(A Capital Pool Corporation)

We have audited the balance sheets of Eurotin Inc. (a Capital Pool Corporation) as at December 31, 2009 and December 31, 2008 and the statements of loss and comprehensive loss, changes in shareholders' equity and cash flows for the periods then ended. These financial statements are the responsibility of the Corporation's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Corporation as at December 31, 2009 and the results of its operations and its cash flows for the periods from January 1, 2009 to December 31, 2009 and July 31, 2008 (date of incorporation) to December 31, 2008 in accordance with Canadian generally accepted accounting principles.

Shimmerman Penn LLP

Chartered Accountants
Licensed Public Accountants

Toronto, Ontario
March 12, 2010

Eurotin Inc.
(A Capital Pool Corporation)

Balance Sheets
December 31,

		2009		2008
Assets				
Current assets				
Cash	**$**	**319,350**	$	269,055
Sundry receivable		**11,417**		1,557
Loan receivable *(note 4)*		**25,000**		-
Prepaid expense		**41,050**		-
Deferred share issuance costs		**-**		43,645
	$	**396,817**	$	314,257
Liabilities				
Current liabilities				
Accounts payable and accrued liabilities *(note 7)*	**$**	**29,538**	$	21,828
Shareholders' equity				
Share capital *(note 5)*		**686,750**		322,500
Contributed surplus		**15,000**		-
Share issue costs		**(200,260)**		-
Deficit		**(134,211)**		(30,071)
		367,279		292,429
	$	**396,817**	$	314,257

The accompanying notes are an integral part of these financial statements.

Approved by the Board

Signed: ***"David Danziger"***
Director

Signed: ***"Paul Pathak"***
Director

Eurotin Inc.
(A Capital Pool Corporation)

Statements of Loss and Comprehensive Loss
for the periods from January 1, 2009 to December 31, 2009 and July 31, 2008 (date of incorporation) to December 31, 2008

		2009		2008
Expenses				
Professional fees *(note 7)*	**$**	**96,954**		26,305
Filing fees		**7,186**		3,751
Bank charges		-		15
Net loss and comprehensive loss	**$**	**(104,140)**	$	(30,071)
Basic and diluted loss per common share	**$**	**(0.01)**		(0.01)
Weighted average common shares outstanding		**8,435,912**		**4,329,795**

The accompanying notes are an integral part of these financial statements.

Statements of Changes in Shareholders' Equity

	Number of Shares		Share Capital		Contributed Surplus		Share Issue Costs		Deficit		Shareholders' Equity
Balance, July 31, 2008	**-**	**$**	**-**	**$**	**-**	**$**	**-**	**$**	**-**	**$**	**-**
Issued for cash	6,450,000		322,500		-		-		-		322,500
Net loss and comprehensive loss for the period	-		-		-		-		(30,071)		(30,071)
Balance, December 31, 2008	**6,450,000**		**322,500**		**-**		**-**		**(30,071)**		**292,429**
Issued for cash	3,642,500		364,250				(185,260)		-		178,990
Issuance of warrants	-		-		15,000		(15,000)		-		-
Net loss and comprehensive loss for the period	-		-		-		-		(104,140)		(104,140)
Balance, December 31, 2009	**10,092,500**	**$**	**686,750**	**$**	**15,000**	**$**	**(200,260)**	**$**	**(134,211)**	**$**	**367,279**

The accompanying notes are an integral part of these financial statements.

Eurotin Inc.
(A Capital Pool Corporation)

Statements of Cash Flows
for the periods from January 1, 2009 to December 31, 2009 and July 31, 2008 (date of incorporation) to December 31, 2008

	2009	2008
Cash flow from operating activities		
Cash paid to suppliers	**$ (147,340)**	$ (53,445)
Cash flow from investing activities		
Loan receivable	**(25,000)**	-
Cash flow from financing activities		
Net Proceeds from issuance of common shares	**222,635**	322,500
Increase in cash	**50,295**	269,055
Cash, beginning of period	**269,055**	-
Cash, end of period	**$ 319,350**	$ 269,055

The accompanying notes are an integral part of these financial statements.

1. Business of the Corporation

Eurotin Inc. ("the Corporation") was incorporated under the *Ontario Business Corporations Act* on July 31, 2008 as Natex Mineral Corp. The Corporation subsequently filed articles of amendment on August 22, 2008 to change its name to Eurotin Inc. The Corporation intends to carry on business as a "Capital Pool Corporation" ("CPC"), as this term is defined in the policies of the TSX Venture Exchange (the "Exchange"). The Corporation's principal purpose is the identification, evaluation and acquisition of assets, properties or businesses or participation therein subject, in certain cases, to shareholder approval and acceptance by the Exchange.

Where an acquisition or participation (the "Qualifying Transaction") is warranted, additional funding may be required. The ability of the Corporation to fund its potential future operations and commitments is dependent upon the ability of the Corporation to obtain additional financing. Under the policies of the Exchange, the Corporation must identify and complete a Qualifying Transaction within 24 months from the date the Corporation's shares are listed for trading on the Exchange. There is no assurance that the Corporation will be able to complete a Qualifying Transaction within 24 months of being listed or that it will be able to secure the necessary financing to complete a Qualifying Transaction. The Exchange may suspend or de-list the Corporation's shares from trading should it not meet these requirements.

2. Significant Accounting Policies

Basis of presentation

These financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles, and are expressed in Canadian dollars. The significant accounting policies are summarized as follows:

Deferred share issue costs

Costs directly incurred in connection with the Corporation's proposed public share offering are recorded as deferred share issue costs until the offering is completed, if the completion is considered likely; otherwise they are expensed as incurred. Deferred share issue costs will be charged against share capital upon completion of the public share offering. Deferred share issue will be expensed if the offering is not completed.

Income taxes

Future income tax assets and liabilities are recognized for the future income tax consequences of events that have been included in the financial statements or income tax returns of the Corporation. Future income taxes are provided for using the liability method. Under the liability method, future income taxes are recognized for all significant temporary differences between the tax and financial statement bases of assets, liabilities and certain carry forward items.

2. Significant Accounting Policies - continued

Income taxes - continued

Future income tax assets are recognized only to the extent that, in the opinion of management, it is more likely than not that the future income tax assets will be realized. Future income tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of enactment or substantive enactment. The Corporation makes full provision for income taxes deferred as a result of claiming depreciation and other costs for income tax purposes which differ from the related amounts charged to earnings.

Measurement uncertainty

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Loss per share

Basic loss per share is computed by dividing net income (loss) available to common shareholders by the weighted average number of common shares outstanding during the period. The Corporation applies the treasury stock method in the calculation of diluted loss per share. Diluted loss per share excludes all dilutive potential common shares if their effect is anti-dilutive.

Financial instruments

In accordance with CICA Handbook Section 3855, "Financial Instruments - Recognition and Measurement", and Section 3862, "Financial Instruments - Disclosures", all financial instruments are classified into one of the following five categories: held-for-trading, held-to-maturity investments, loans and receivables, available-for-sale financial assets or other financial liabilities. All financial instruments are included on the balance sheet and are measured at fair value except for loans and receivables, held-to-maturity investments and other financial liabilities which are measured at amortized cost. Held-for-trading financial instruments are subsequently measured at fair value and all gains and losses are included in net income in the period which they arise. Available-for-sale financial instruments are subsequently measured at fair value with revaluation gains and losses included in other comprehensive income until the instrument is derecognized or impaired.

The Corporation has classified its cash as held-for-trading, which is measured at fair value. The sundry receivable and the loan receivable are classified as loans and receivables, which are measured at amortized cost. Accounts payable and accrued liabilities are classified as other financial liabilities which are measured at amortized cost. The Corporation had neither available-for-sale nor held-to-maturity instruments during the periods ended December 31 2009 and 2008.

2. Significant Accounting Policies - continued

Comprehensive income and equity

CICA Handbook Section 1530, "Comprehensive Income", and Section 3251, "Equity" establish standards for reporting comprehensive income, equity and changes in equity during the reporting period. The Corporation had no "other comprehensive income" transactions during the periods ended December 31, 2009 and 2008 and no opening or closing balances for accumulated other comprehensive income, and as such, comprehensive loss is equal to net loss.

Changes in accounting policies

EIC-173 Credit Risk and the Fair Value of Financial Assets and Liabilities

In January 2009, the CICA's Emerging Issues Committee ("EIC") issued abstract EIC-173, Credit and the Fair Value of Financial Assets and Liabilities, which requires entities to take both counterparty credit risk and their own credit risk into account when measuring the fair value of financial assets and liabilities, including derivatives. EIC-173 came into effect for interim and annual periods beginning on or after January 1, 2009. Upon adoption, there was no impact on the Corporation's financial statements.

Financial Instruments Disclosures

In June 2009, the CICA amended Section 3862, Financial Instruments - Disclosures, to include additional disclosure requirements about fair market value measurements for financial instruments and liquidity risk disclosures. These amendments require a three-level hierarchy that reflects the significance of the inputs used in making the fair value measurements. Fair values of assets and liabilities included in Level 1 are determined by reference to quoted prices in active markets for identical assets and liabilities. Assets and liabilities in Level 2 include valuations using inputs other than quoted prices for which all significant outputs are observable, either directly or indirectly. Level 3 valuations are based on inputs that are unobservable and significant to the overall fair value measurement. This new standard became effective for the Company on December 31, 2009. The Company has assessed its financial instruments that are reported at market value to be cash and determined that it is based on Level 1 inputs.

3. Future Changes in Accounting Policy

Business Combinations, Consolidated Financial Statements and Non-Controlling Interests

The CICA issued three new accounting standards in January 2009: Section 1582, Business Combinations, Section 1601, Consolidated Financial Statements and Section 1602, Non-Controlling Interests. These new standards will be effective for fiscal years beginning on or after January 1, 2011. The Corporation is in the process of evaluating the requirements of the new standards. Sections 1582 replaces section 1581 and establishes standards for the accounting for a business combination. It provides the Canadian equivalent to International Financial Reporting Standard IFRS 3 - Business Combinations. The section applies prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after January 1, 2011. Sections 1601 and 1602 together replace section 1600, Consolidated Financial Statements. Section 1601, establishes standards for the preparation of consolidated financial statements. Section 1601 applies to interim and annual consolidated financial statements relating to fiscal years beginning on or after January 1, 2011. Section 1602 establishes standards for accounting for a noncontrolling interest in a subsidiary in consolidated financial statements subsequent to a business combination. It is equivalent to the corresponding provisions of International Financial Reporting Standard lAS 27 - Consolidated and Separate Financial Statements and applies to interim and annual consolidated financial statements relating to fiscal years beginning on or after January 1, 2011.

International Financial Reporting Standards ("IFRS")

In January 2006, the CICA's Accounting Standards Board ("AcSB") formally adopted the strategy of replacing Canadian GAAP with IFRS for Canadian enterprises with public accountability. The current conversion timetable calls for financial reporting under IFRS for accounting periods commencing on or after January 1, 2011. On February 13, 2008, the AcSB confirmed that the use of IFRS will be required in 2011 for publicly accountable profit-oriented enterprises. For these entities, IFRS will be required for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. The Corporations is currently assessing the impact of IFRS on its financial statements.

4. Loan Receivable

The loan receivable is due from Stannico, a target company, is non interest bearing, due on demand and fully secured against all of the assets of Stannico, including but not limited to a pledge of all of the issued and outstanding common shares in the capital of Minas de Estano de Espana, Stannico's wholly owned subsidiary. The Corporation is committed to advance remaining $155,000 to the target company in accordance with the letter of intent *(see Note 10)*.

5. Share Capital

Authorized

Unlimited Common shares

Issued

	Common Shares	Amount
Balance, July 31, 2008 (date of incorporation)	1	$ -
Incorporation share subsequently cancelled	(1)	-
Shares issued for cash (a)	6,450,000	$ 322,500
December 31, 2008	**6,450,000**	**322,500**
Initial public offering (b)	3,642,500	364,250
December 31, 2009	**10,092,500**	**$ 686,750**

(a) Shares issued for cash

These shares will be held in escrow, subject to an Escrow Agreement pursuant to policies of the Exchange. Under the terms of the Escrow Agreement, 10% of the escrowed shares will be released from escrow upon the issuance of the Final Exchange Bulletin (the "Initial Release") and an additional 15% will be released on each of the dates 6 months, 12 months, 18 months, 24 months, 30 months, and 36 months following the Initial Release. Shares held in escrow will be cancelled should the Corporation fail to complete its Qualifying Transaction or become de-listed.

(b) Initial Public Offering

On June 15, 2009, the Corporation completed its initial public offering ("IPO") via the issuance of 3,642,500 common shares at a price of $0.10 per common share for gross proceeds of $364,250. The Corporation incurred issuance costs of $185,260. In addition, the Corporation granted the agents of the offering the option to acquire 364,250 common shares, valued at $15,000, at a price of $0.10 per share for a period of 24 months following the IPO. The agent options were valued using the Black-Scholes option-pricing model using the following assumptions: expected life of two years, risk free rate of 1.42%, expected dividend yield of 0% and expected volatility of 75%.

(c) Stock Options

On March 13, 2009, the Corporation established a stock option plan for its officers, directors, consultants and employees pursuant to which the Corporation may grant options to acquire a maximum number of Common Shares equal to 10% of the total issued and outstanding Common Shares of the Corporation. The Corporation has no immediate plans to issue stock options.

6. Income Taxes

The following table reconciles the expected income tax recovery at the Canadian statutory income tax rate of 33% (2008 - 33.5)% to the amount recognized in the statement of operations:

	2009	2008
Net loss for the period	**$ (104,140)**	$ (30,071)
Expected income tax recovery at Canadian statutory income tax rates	**$ (34,366)**	$ (10,074)
Share issue costs	**(46,733)**	(1,234)
Tax rate changes and other adjustments	**22,609**	11,308
Change in valuation allowance	**58,490**	-
Provision for income taxes	**$ -**	$ -

The tax effects of temporary differences that give rise to significant portions of future tax assets are as follows:

	2009	2008
Non-capital losses	**$ 43,737**	$ 9,789
Share issue costs	**36,131**	11,589
Less: Valuation allowance	**(79,868)**	(21,378)
Net future income tax asset	**$ -**	$ -

The Corporation has non-capital losses available to reduce future taxable income. These losses expire as follows:

2028	**$ 33,754**
2029	**$ 141,192**

7. Related Party Balances and Transactions

(a) The President, CEO and CFO of the Corporation is a partner in a firm providing accounting services to the Corporation. During the period ended December 31, 2009 this firm charged the Corporation $11,100 (2008 - $2,575) for services rendered. In addition, as at December 31, 2009 this firm was owed $3,000 (2008 - $1,000). This amount was included in accounts payable and accrued liabilities.

7. Related Party Balances and Transactions - continued

(b) The Secretary of the Corporation is a partner in a firm providing legal services to the Corporation. During the period ended December 31, 2009 this firm charged the Corporation $97,485 (2008 - $30,495) for services related to the public share offering and $62,171 (2008 - $15,730) for legal services. In addition, as at December 31, 2009 this firm was owed $18,513 (2008 - $16,757). This amount was included in accounts payable and accrued liabilities.

The transactions above are in the normal course of operations and are measured at the exchange value (the amount established and agreed to by the related parties).

8. Capital Management

The Corporation's objective is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to allow the Corporation to complete a qualifying transaction. Management defines capital as the Corporation's cash balance. The Corporation is not subject to externally imposed capital requirements.

9. Financial Instruments

(a) Fair value

As at December 31, 2009 the Corporation's financial instruments consist of cash, sundry receivable, loan receivable and accounts payable and accrued liabilities. The fair values of cash, sundry receivable and accounts payable and accrued liabilities approximate their carrying values due to the short-term nature of these instruments.

(b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Corporation is exposed to short-term interest rate through the interest earned on cash balances; however, management does not believe this exposure is significant.

(c) Credit risk

Credit risk is the risk of financial loss to the Corporation if a customer fails to meet its contractual obligations. The Corporation is exposed to credit risk through its cash which is held in large Canadian financial institutions. The Corporation believes this credit risk is insignificant.

(d) Liquidity risk

Liquidity risk is the risk that the Corporation will not be able to meet its financial obligations as they fall due. The Corporation's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at December 31, 2009 the Corporation had cash of $319,350 (2008 - $269,045) to settle current liabilities of $29,538 (2008 - $21,828). The Corporation is not exposed to significant liquidity risk.

10. Commitment

Letter of Intent

On February 6 2009, the Corporation entered into a non-binding letter of intent in respect of a proposed acquisition (the "Proposed Qualifying Transaction") with Stannico Resources Inc. ("Stannico"). The letter of intent was subsequently amended on September 18, 2009. On February 28, 2010 the Letter of Intent was extended by the parties to August 31, 2010.

If the Proposed Qualifying Transaction is completed, the Corporation would acquire all of the issued and outstanding common shares in the capital of Stannico from the shareholders of Stannico as well as any outstanding loans of Stannico and its subsidiary Minas de Estano de Espana.

SCHEDULE B

UNAUDITED FINANCIAL STATEMENTS FOR EUROTIN FOR THE INTERIM PERIOD ENDED SEPTEMBER 30, 2010

Eurotin Inc.

(A Capital Pool Corporation)

Unaudited Interim Financial Statements

Three and Nine Months Ended

September 30, 2010

Eurotin Inc.
(A Capital Pool Corporation)

Unaudited Interim Balance Sheets

	September 30, 2010	December 31, 2009
	(Unaudited)	(Audited)
Assets		
Current assets		
Cash	**$ 29,710**	$ 319,350
Sundry receivable	**11,417**	11,417
Loan receivable (*note 4*)	**180,000**	25,000
Prepaid expenses	**-**	41,050
	$ 221,127	$ 396,817
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities (*note 6*)	**$ 13,175**	$ 29,538
Shareholders' equity		
Share capital *(note 5)*	**686,750**	686,750
Contributed surplus	**15,000**	15,000
Share issue costs	**(200,260)**	(200,260)
Deficit	**(293,538)**	(134,211)
	207,952	367,279
	$ 221,127	$ 396,817

The accompanying notes are an integral part of these interim financial statements.

Approved by the Board

Signed: *"David Danziger"*

Director

Signed: *"Paul Pathak"*

Director

Eurotin Inc.
(A Capital Pool Corporation)

Unaudited Interim Statements of Loss and Comprehensive Loss

	Three months Ended September 30, 2010	Three months Ended September 30, 2009	**Nine months Ended September 30 2010**	Nine months Ended September 30, 2009
Expenses				
Professional fees *(note 6)*	**$ 76,571**	$ 18,732	**$ 134,989**	$ 83,574
Filing fees	**2,519**	1,650	**24,338**	3,118
Net loss and comprehensive loss for the period	**$ (79,090)**	$ (20,382)	**$ (159,327)**	$ (86,692)
Basic and diluted loss per common share	**$ (0.01)**	$ 0.00	**$ (0.02)**	$ (0.01)
Weighted average common shares outstanding	**10,092,500**	10,092,500	**10,092,500**	7,890,990

The accompanying notes are an integral part of these interim financial statements.

Unaudited Interim Statements of Changes in Shareholders' Equity

	Number of Shares	Share Capital	Contributed Surplus	Share Issue Costs	Deficit	Shareholders' Equity
Balance, December 31, 2008	**6,450,000**	**$ 322,500**	**$ -**	**$ -**	**$ (30,071)**	**$ 292,429**
Issued for cash	3,642,500	364,250	-	(185,260)	-	178,990
Issuance of warrants	-	-	15,000	(15,000)	-	-
Net loss and comprehensive loss for the period	-	-	-	-	(104,140)	(104,140)
Balance, December 31, 2009	**10,092,500**	**686,750**	**15,000**	**(200,260)**	**(134,211)**	**367,279**
Net loss and comprehensive loss for the period	-	-	-	-	(23,169)	(23,169)
Balance, March 31, 2010	**10,092,500**	**686,750**	**15,000**	**(200,260)**	**(157,380)**	**344,110**
Net loss and comprehensive loss for the period	-	-	-	-	(57,068)	(57,068)
Balance, June 30, 2010	**10,092,500**	**686,750**	**15,000**	**(200,260)**	**(214,448)**	**287,042**
Net loss and comprehensive loss for the period	-	-	-	-	(79,090)	(79,090)
Balance, September 30, 2010	**10,092,500**	**$ 686,750**	**$ 15,000**	**$ (200,260)**	**$ (293,538)**	**$ 207,952**

The accompanying notes are an integral part of these interim financial statements.

Eurotin Inc.
(A Capital Pool Corporation)

Unaudited Interim Statements of Cash Flows

	Three months Ended September 30, 2010	Three months Ended September 30, 2009	**Nine months Ended September 30 2010**	Nine months Ended September 30, 2009
Cash flow from operating activities				
Cash paid to suppliers	**$ (35,240)**	$ (21,350)	**$ (134,640)**	$ (72,972)
Cash flow from investing activities				
Loan receivable			**(155,000)**	
Cash flow from financing activities				
Net proceeds from issuance of common shares	-	-	-	222,635
	-	-	-	222,635
(Decrease) increase in cash for the period	**(35,240)**	(21,350)	**(289,640)**	149,663
Cash, beginning of period	**64,950**	440,068	**319,350**	269,055
Cash, end of period	**$ 29,710**	$ 418,718	**$ 29,710**	$ 418,718

The accompanying notes are an integral part of these interim financial statements.

Notes to Unaudited Interim Financial Statements
for the three and nine months period ending September 30, 2010

1. Business of the Corporation

Eurotin Inc. ("the Corporation") was incorporated under the *Ontario Business Corporations Act* on July 31, 2008 as Natex Mineral Corp. The Corporation subsequently filed articles of amendment on August 22, 2008 to change its name to Eurotin Inc. The Corporation intends to carry on business as a "Capital Pool Corporation" ("CPC"), as this term is defined in the policies of the TSX Venture Exchange (the "Exchange"). As at September 30, 2010, the Corporation has no business operations and did not enter into any agreements to acquire an interest in businesses or assets. The Corporation's principal purpose is the identification, evaluation and acquisition of assets, properties or businesses or participation therein subject, in certain cases, to shareholder approval and acceptance by the Exchange.

Where an acquisition or participation (the "Qualifying Transaction") is warranted, additional funding may be required. The ability of the Corporation to fund its potential future operations and commitments is dependent upon the ability of the Corporation to obtain additional financing. Under the policies of the Exchange, the Corporation must identify and complete a Qualifying Transaction within 24 months from the date the Corporation's shares are listed for trading on the Exchange. There is no assurance that the Corporation will be able to complete a Qualifying Transaction within 24 months of being listed or that it will be able to secure the necessary financing to complete a Qualifying Transaction. The Exchange may suspend or de-list the Corporation's shares from trading should it not meet these requirements.

2. Significant Accounting Policies

Basis of presentation

These unaudited interim financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles for interim financial statements and should be read in conjunction with the December 31, 2009 audited financial statements.

The results of operations for the period ended September 30, 2010 are not necessarily indicative of those to be expected for the entire year ending December 31, 2010.

3. Future Changes in Accounting Policy

Business Combinations, Consolidated Financial Statements and Non-Controlling Interests

The CICA issued three new accounting standards in January 2009: Section 1582, Business Combinations, Section 1601, Consolidated Financial Statements and Section 1602, Non-Controlling Interests. These new standards will be effective for fiscal years beginning on or after January 1, 2011. The Corporation is in the process of evaluating the requirements of the new standards. Section 1582 replaces section 1581 and establishes standards for the accounting for a business combination. It provides the Canadian equivalent to International Financial Reporting Standard IFRS 3 - Business Combinations. The section applies prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after January 1, 2011. Sections 1601 and 1602 together replace section 1600, Consolidated Financial Statements. Section 1601 establishes standards for the preparation of consolidated financial statements. Section 1601 applies to interim and annual consolidated financial statements relating to fiscal years beginning on or after January 1, 2011. Section 1602 establishes standards for accounting for a noncontrolling interest in a subsidiary in consolidated financial statements subsequent to a business combination. It is equivalent to the corresponding provisions of International Financial Reporting Standard lAS 27 - Consolidated and Separate Financial Statements and applies to interim and annual consolidated financial statements relating to fiscal years beginning on or after January 1, 2011.

Financial Instruments - Section 3855

In June 2009, the CICA issued amendments to Section 3855, Financial Instruments, to add guidance concerning the assessment of embedded derivatives upon reclassification of a financial asset out of the held-for-trading category and to clarify the application of the effective interest method after a debt instrument has been impaired. These amendments apply to interim and annual financial statements relating to years beginning on/after January 1, 2011. Management does not expect that the adoption of this new standard will have significant impact on the Company’s financial statements.

Financial Instruments – Recognition and Measurement

In June 2009, the CICA issued amendments to Section 3855, Financial Instruments – Recognition and Measurement, to clarify when an embedded prepayment option is separated from its host debt instrument for accounting purposes. Amendments apply to interim and annual financial statements relating to years beginning on/after January 1, 2011. Management does not expect that the adoption of this new standard will have significant impact on the Company’s financial statements.

Multiple Deliverable Revenue Arrangements – EIC 175

In December 2009, the CICA approved EIC 175, Multiple Deliverable Revenue Arrangements. This guidance addresses some aspects of the accounting by a vendor for arrangements under which it will perform multiple revenue-generating activities, and how arrangement consideration should be measured and allocated to the separate units of accounting in the arrangement. This guidance may be applied prospectively and should be applied to revenue arrangements with multiple deliverables entered into or materially modified in the first annual fiscal period beginning on or after January 1, 2011. Early adoption is permitted. Management is assessing the impact of EIC 175 on the Company’s financial statements.

3. Future Changes in Accounting Policy - continued

International Financial Reporting Standards ("IFRS")

In January 2006, the CICA's Accounting Standards Board ("AcSB") formally adopted the strategy of replacing Canadian GAAP with IFRS for Canadian enterprises with public accountability. On February 13, 2008, the AcSB confirmed that the use of IFRS will be required in 2011 for publicly accountable profit-oriented enterprises. For these entities, IFRS will be required for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. The Corporation is currently assessing the impact of IFRS on its financial statements.

4. Loan Receivable

The loan receivable is due from Stannico, a target company, is non interest bearing, due on demand and fully secured against all of the assets of Stannico, including but not limited to a pledge of all of the issued and outstanding common shares in the capital of Minas de Estano de Espana, Stannico's wholly owned subsidiary.

5. Share Capital

Authorized

Unlimited Common shares

Issued

	Common Shares	Amount
Balance, July 31, 2008 (date of incorporation)	1	$ -
Incorporation share subsequently cancelled	(1)	-
Shares issued for cash (a)	6,450,000	322,500
December 31, 2008	6,450,000	322,500
Initial public offering (b)	3,642,500	364,250
December 31, 2009 and September 30, 2010	**10,092,500**	**$ 686,750**

5. Share Capital - continued

(a) Shares issued for cash in 2008

The 6,450,000 shares issued for cash in fiscal 2008 will be held in escrow, subject to an Escrow Agreement pursuant to policies of the Exchange. Under the terms of the Escrow Agreement, 10% of the escrowed shares will be released from escrow upon the issuance of the Final Exchange Bulletin (the "Initial Release") and an additional 15% will be released on each of the dates 6 months, 12 months, 18 months, 24 months, 30 months, and 36 months following the Initial Release. Shares held in escrow will be cancelled should the Corporation fail to complete its Qualifying Transaction or become de-listed.

(b) Initial Public Offering

On June 15, 2009, the Corporation completed its initial public offering ("IPO") via the issuance of 3,642,500 common shares at a price of $0.10 per common share for gross proceeds of $364,250. The Corporation incurred issuance costs of $185,260. In addition, the Corporation granted the agents of the offering the option to acquire 364,250 common shares, valued at $15,000, at a price of $0.10 per share for a period of 24 months following the IPO. The agent options were valued using the Black-Scholes option-pricing model using the following assumptions: expected life of two years, risk free rate of 1.42%, expected dividend yield of 0% and expected volatility of 75%.

(c) Stock Options

On March 13, 2009, the Corporation established a stock option plan for its officers, directors, consultants and employees pursuant to which the Corporation may grant options to acquire a maximum number of Common Shares equal to 10% of the total issued and outstanding Common Shares of the Corporation. The Corporation has no immediate plans to issue stock options.

6. Related Party Balances and Transactions

(a) The President, CEO and CFO of the Corporation is a partner in a firm providing accounting services to the Corporation. During the nine month period ended September 30, 2010 this firm charged the Corporation $5,000 (2009 - $4,500) for services rendered. In addition, as at September 30, 2010 this firm was owed $13,175 (2009 - $3,000). This amount was included in accounts payable and accrued liabilities.

(b) The Secretary of the Corporation is a partner in a firm providing legal services to the Corporation. During the nine month period ended September 30, 2010 this firm charged the Corporation $NIL (2009 - $61,968) for services related to the public share offering and $51,491 (2009 - $52,683) for legal services. As at September 30, 2010 this firm was owed $NIL (2009 - $10,176). This amount was included in accounts payable.

The transactions above are in the normal course of operations and are measured at the exchange value (the amount established and agreed to by the related parties).

7. Capital Management

The Corporation's objective is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to allow the Corporation to complete a qualifying transaction. Management defines capital as the Corporation's cash balance. The Corporation is not subject to externally imposed capital requirements.

8. Financial Instruments

(a) Fair value

As at September 30, 2010 the Corporation's financial instruments consist of cash, sundry receivable, loan receivable and accounts payable and accrued liabilities. The fair values of cash, sundry receivable, loan receivable and accounts payable and accrued liabilities approximate their carrying values due to the short-term nature of these instruments.

(b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Corporation is exposed to short-term interest rate through the interest earned on cash balances; however, management does not believe this exposure is significant.

(c) Credit risk

Credit risk is the risk of financial loss to the Corporation if a customer fails to meet its contractual obligations. The Corporation is exposed to credit risk through its cash which is held in large Canadian financial institutions. The Corporation believes this credit risk is insignificant.

(d) Liquidity risk

Liquidity risk is the risk that the Corporation will not be able to meet its financial obligations as they fall due. The Corporation's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at September 30, 2010 the Corporation had cash of $29,710 (December 31, 2009 - $319,350) to settle current liabilities of $13,175 (December 31, 2009 - $29,538). The Corporation is not exposed to significant liquidity risk.

9. Commitments

Letter of Intent

On February 6 2009, the Corporation entered into a non-binding letter of intent in respect of a proposed acquisition (the "Proposed Qualifying Transaction") with Stannico Resources Inc. ("Stannico"). The letter of intent was subsequently amended on September 18, 2009. On February 28, 2010 the Letter of Intent was extended by the parties to August 31, 2010. On August 31, 2010 the Letter of Intent was extended until February 28, 2011.

If the Proposed Qualifying Transaction is completed, the Corporation would acquire all of the issued and outstanding common shares in the capital of Stannico from the shareholders of Stannico as well as any outstanding loans of Stannico and its subsidiary Minas de Estano de Espana.

SCHEDULE C

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR EUROTIN FOR THE YEAR ENDED DECEMBER 31, 2009

EUROTIN INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
For the Year Ended December 31, 2009

This management discussion and analysis (**"MD&A"**) of the financial condition and results of operations of Eurotin Inc. (the **"Corporation"** or **"Eurotin"**) is for the Year ended December 31, 2009, and is provided as of April 29, 2010. The Corporation's financial statements are prepared in accordance with accounting principles generally accepted in Canada. All amounts presented herein are stated in Canadian dollars, unless otherwise indicated.

Cautionary Statements:

Certain statements contained in this MD&A constitute forward-looking information within the meaning of securities laws. Forward-looking information may relate to our future outlook and anticipated events or results and may include statements regarding the future financial position, business strategy, budgets, litigation, projected costs, capital expenditures, financial results, taxes and plans and objectives of or involving the Corporation**.** Particularly, statements regarding our future operating results and economic performance are forward-looking statements. In some cases, forward-looking information can be identified by terms such as “may”, “will”, “should”, “expect”, “plan”, “anticipate”, “believe”, “intend”, “estimate”, “predict”, “potential”, “continue” or other similar expressions concerning matters that are not historical facts. Examples of such statements include the Corporation’s intention to complete a **“Qualifying Transaction”** (as defined by policy 2.4 (the **“CPC Policy”**) of TSX Venture Exchange Inc. (the **“Exchange”**)) and to complete future financings, acquisitions or investments. Forward looking-information is subject to certain factors, including risks and uncertainties, which could cause actual results to differ materially from what we currently expect. These factors include the ability of the Corporation to obtain necessary financing, satisfaction of the conditions under any definitive agreement in connection with a Qualifying Transaction and satisfaction of Exchange requirements with respect to a Qualifying Transaction. For more exhaustive information on these risks and uncertainties you should refer to the Prospectus, which is available at www.sedar.com. Forward-looking information contained in this MD&A is based on our current estimates, expectations and projections, which we believe are reasonable as of the current date. You should not place undue importance on forward-looking information and should not rely upon this information as of any other date. While we may elect to, we are under no obligation and do not undertake to update this information at any particular time.

Company Overview:

The Company was incorporated on July 31, 2008, under the *Business Corporations Act (Ontario)*. The authorized capital of the Corporation consists of an unlimited number of common shares without nominal or par value. In September and October, 2008, the Corporation issued a total of 6,450,000 common shares (the **“Seed Shares”**) to seed shareholders for cash consideration of $322,500. The Seed Shares are subject to escrow in accordance with Exchange requirements and will be released in accordance with the terms and conditions of an escrow agreement dated March 13, 2009, among the Corporation, Equity Transfer & Trust Corporation, as the escrow agent, and the holders of the Seed Shares. In addition, on June 15, 2009, the Corporation completed its initial public offering ("IPO") via the issuance of 3,642,500 common shares at a price of $0.10

per common share for gross proceeds of $364,250. The Corporation incurred issuance costs of $185,260. Moreover, the Corporation granted the agents of the offering the option to acquire 364,250
common shares, valued at $15,000, at a price of $0.10 per share for a period of 24 months following the IPO. The Corporation is a Capital Pool Corporation (a **"CPC"**), as defined in the CPC Policy. The principal business of the Corporation is the identification and evaluation of potential opportunities with a view to completing a Qualifying Transaction. For more information on the Corporation, please refer to the Prospectus.

Overall Performance:

As stated above, the Corporation issued the Seed Shares in September and October, 2008, for aggregate gross proceeds of $322,500. The CPC Policy sets out the permitted uses of proceeds realized from the sale of all securities issued by a CPC, which include fees for legal and accounting services, agents' fees, costs and commissions and listing and filing fees. For the year ended December 31, 2009, the Corporation has a net loss of $104,140 consisting of professional fees associated with ongoing administrative and general expenses for listing on the Exchange:

Results of Operations:
As at December 31, 2009, the Corporation had no business operations other than the identification and evaluation of potential opportunities with a view to completing a Qualifying Transaction. The net loss of $104,140 was due primarily to the expenses incurred in the year as set out above. See below for more information on the Corporation's Proposed Qualifying Transaction.

Selected Interim Financial Information:

A summary of selected financial information for the 12 month period ended December 31, 2009 is as follows:

Statement of Loss and Comprehensive Loss:

Net loss and comprehensive loss for the year $104,140
Loss per share - basic and diluted $0.01

Balance Sheet:
Working capital $367,279
Total assets $396,817
Long-term liabilities $NIL

Liquidity and Capital Resources:

For the year ended December 31, 2009, the Corporation had $319,350 in cash as a result of net proceeds derived from the issuance of the Shares, which management considers to be sufficient to meet the Corporation's ongoing obligations.

Financial Instruments and Other Instruments:

The Corporation's financial instruments consist of cash, sundry receivable, loan receivable, prepaid expenses and accounts payable and accrued liabilities. It is management's opinion that the Corporation is not exposed to significant interest, currency or credit risks arising from these financial instruments and that the fair value of these financial instruments approximates their carrying values.

Disclosure of Outstanding Share Data:

As more specifically described above under "Corporation Overview", there are 10,092,500 issued and outstanding common shares in the capital of the Corporation.

Significant Accounting Policies

The Corporation's significant accounting policies are summarized in Note 2 to the audited financial statements for the period ended December 31, 2009.

Future Changes in Accounting Policies

Business Combinations, Consolidated Financial Statements and Non-Controlling Interests - The CICA issued three new accounting standards in January 2009: Section 1582, Business Combinations, Section 1601, Consolidated Financial Statements and Section 1602, Non-Controlling Interests. These new standards will be effective for fiscal years beginning on or after January 1, 2011. The Corporation is in the process of evaluating the requirements of the new standards. Section 1582 replaces section 1581 and establishes standards for the accounting for a business combination. It provides the Canadian equivalent to International Financial Reporting Standard IFRS 3 - Business Combinations. The section applies prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after January 1, 2011. Sections 1601 and 1602 together replace section 1600, Consolidated Financial Statements. Section 1601, establishes standards for the preparation of consolidated financial statements. Section 1601 applies to interim and annual consolidated financial statements relating to fiscal years beginning on or after January 1, 2011. Section 1602 establishes standards for accounting for a non-controlling interest in a subsidiary in consolidated financial statements subsequent to a business combination. It is equivalent to the corresponding provisions of International Financial Reporting Standard IAS 27 - Consolidated and Separate Financial Statements and applies to interim and annual consolidated financial statements relating to fiscal years beginning on or after January 1, 2011.

International Financial Reporting Standards ("IFRS") - In February 2008, the Accounting Standards Board confirmed that International Financial Reporting Standards (IFRS) will replace Canadian GAAP for publicly accountable enterprises for financial periods beginning on and after January 1, 2011. The Corporation's first mandatory filing under IFRS, which will be the first quarter of 2011, will contain IFRS-compliant information on a comparative basis, as well as reconciliations for that quarter and as at January 1, 2010 transition date. Although IFRS uses a conceptual framework similar to Canadian GAAP, there are significant differences in recognition, measurement and disclosure.

The Corporation has developed a detailed plan for IFRS convergence comprised of three related phases:

- phase 1 review and assessment, which involved a detailed review of all relevant IFRS standards to identify differences with our current accounting policies and practices; the separate consideration of one - time accounting policy alternatives that must be addressed at the changeover date (IFRS 1 considerations), and those accounting policy choices that will be applied on an ongoing basis in periods subsequent to the changeover to IFRS; the prioritization of those differences that could have a significant impact on our financial statements, business processes and IT;
- phase 2, design, which includes the evaluation of accounting policy alternatives and the investigation, development and documentation of solutions to resolve differences identified in phase 1, reflecting changes to existing accounting policies and practices, business processes, IT and internal controls.
- phase 3, implementation, which involves implementing the changes to affected accounting policies and practices, business processes, systems and internal controls. The changes will be tested prior to the formal reporting requirements under IFRS to ensure all significant differences are properly addressed in time for the changeover.

The Corporation is into the second phase of its conversion plan and has completed a detailed analysis of the standards, identifying a number of accounting differences and policy alternatives, including one-time accounting alternatives under IFRS. There are a number of IFRS standards in the process of being amended by the International Accounting Standards Board and are expected to continue until the transition date of January 1, 2011. The Corporation is actively monitoring proposed changes.

The following areas have been identified as having the highest potential impact on the Corporation's financial reporting: methodology for impairment testing, future taxes, accounting for stock compensation, disclosure and presentation and the provisions related to the initial adoption of IFRS under IFRS 1, *First Time Adoption*.

The Corporation is also working on implementing changes to its financial information systems and processes to enable it to maintain data required to report its 2010 financial information under IFRS for comparative purposes.
The Corporation has conducted initial training sessions targeted to various levels of the organization. Additionally, the Corporation will also continue to provide training to key personnel and will monitor the impacts on its business processes and information systems, and will develop a broader external communication plan. The Corporation's transition plans are on schedule and further updates on the status of key activities for this project will be provided in the Corporation's 2010 interim Management's Discussion and Analysis.

Proposed Qualifying Transaction:

On February 6 2009, the Corporation entered into a non-binding letter of intent in respect of a proposed acquisition (the "Proposed Qualifying Transaction") with Stannico Resources Inc. ("Stannico"). The letter of intent was subsequently amended on September 18, 2009. If the Proposed Qualifying Transaction is completed, the Corporation would acquire all of the issued and outstanding common shares in the capital of Stannico from the shareholders of Stannico as well as any outstanding loans of Minas de Estano de Espana, Stannico's wholly owned subsidiary. On February 28, 2010 the Letter of Intent was extended by the parties to August 31, 2010.

Off balance sheet arrangements
The Corporation had no off balance sheet arrangements.

Disclosure Controls and Procedures
Management of the Corporation, consisting of the President and Chief Executive Officer and the Chief Financial Officer, have evaluated the effectiveness of the Corporation's disclosure controls and procedures as required by Canadian securities laws. Based on that evaluation, they have concluded that, as of the end of the period covered by this Management's Discussion and Analysis, the disclosure controls and procedures were effective to provide reasonable assurance that information required to be disclosed in the Corporation's annual filings and interim filings (as such terms are defined under Multilateral Instrument 52-109 – Certification of Disclosure in Issuers' Annual and Interim Filings) and other reports filed or submitted under Canadian securities laws is recorded, processed, summarized and reported within the time periods specified by those laws and that material information is accumulated and communicated to management as appropriate to allow timely decisions regarding required disclosure.

Internal Control Risks

The Chief Executive Officer and Chief Financial Officer ("CFO") are responsible for designing internal controls over financial reporting in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the Corporation's financial statements for external purposes in accordance with Canadian GAAP. The design of the Corporation's internal control over financial reporting was assessed as of the date of this Management Discussion and Analysis.
Based on this assessment, it was determined that certain weaknesses existed in internal controls over financial reporting. As indicative of many small companies, the lack of segregation of duties and effective risk assessment were identified as areas where weaknesses existed. The existence of these weaknesses is to be compensated for by senior management monitoring, which exists. The officers will continue to monitor very closely all financial activities of the Corporation and increase the level of supervision in key areas. It is important to note that this issue would also require the Corporation to hire additional staff in order to provide greater segregation of duties. Since the increased costs of such hiring could threaten the Corporation's financial viability, management has chosen to disclose the potential risk in its filings and proceed with increased staffing only when the budgets and work load will enable the action. The Corporation has attempted to mitigate these weaknesses, through a combination of extensive and detailed review by the CFO of the financial reports, the integrity and reputation of senior accounting personnel, and candid discussion of those risks with the Board of Directors.

Risk Factors:

The Corporation's overall performance and results of operations are subject to a number of risks and uncertainties. Please refer to the risk factors outlined in the Prospectus.

Additional Information:

Additional information relating to the Corporation is available on SEDAR at www.sedar.com.

SCHEDULE D

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR EUROTIN FOR THE INTERIM PERIOD ENDED SEPTEMBER 30, 2010

EUROTIN INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

For the Nine Months Ended September 30, 2010

Date:
This management discussion and analysis (**"MD&A"**) of the financial condition and results of operations of Eurotin Inc. (the **"Corporation"** or **"Eurotin"**) is for the nine month period ended September 30 2010, and is provided as of November 26, 2010. The Corporation's financial statements are prepared in accordance with accounting principles generally accepted in Canada. All amounts presented are stated in Canadian dollars, unless otherwise indicated.

Cautionary Statements:
Certain statements contained in this MD&A constitute forward-looking information within the meaning of securities laws. Forward-looking information may relate to our future outlook and anticipated events or results and may include statements regarding the future financial position, business strategy, budgets, litigation, projected costs, capital expenditures, financial results, taxes and plans and objectives of or involving the Company**.** Particularly, statements regarding our future operating results and economic performance are forward-looking statements. In some cases, forward-looking information can be identified by terms such as "may", "will", "should", "expect", "plan", "anticipate", "believe", "intend", "estimate", "predict", "potential", "continue" or other similar expressions concerning matters that are not historical facts. Examples of such statements include the Company's intention to complete a **"Qualifying Transaction"** (as defined by policy 2.4 (the **"CPC Policy"**) of TSX Venture Exchange Inc. (the **"Exchange"**)) and to complete future financings, acquisitions or investments. Forward looking-information is subject to certain factors, including risks and uncertainties, which could cause actual results to differ materially from what we currently expect. These factors include the ability of the Company to obtain necessary financing, satisfaction of the conditions under any definitive agreement in connection with a Qualifying Transaction and satisfaction of Exchange requirements with respect to a Qualifying Transaction. For more exhaustive information on these risks and uncertainties you should refer to the Prospectus, which is available at www.sedar.com. Forward-looking information contained in this MD&A is based on our current estimates, expectations and projections, which we believe are reasonable as of the current date. You should not place undue importance on forward-looking information and should not rely upon this information as of any other date. While we may elect to, we are under no obligation and do not undertake to update this information at any particular time.

Company Overview:
The Company was incorporated on July 31, 2008, under the *Canada Business Corporations Act*. The authorized capital of the Company consists of an unlimited number of common shares without nominal or par value. In September and October, 2008, the Company issued a total of 6,450,000 common shares (the **"Seed Shares"**) to seed shareholders for cash consideration of $322,500. The Seed Shares are subject to escrow in accordance with Exchange requirements and will be released in accordance with the terms and conditions of an escrow agreement dated March 13, 2009, among the Company, Equity Transfer & Trust Company, as the escrow agent, and the holders of the Seed Shares.
In addition, on June 15, 2009, the Company completed its initial public offering ("IPO") via the issuance of 3,642,500 common shares at a price of $0.10 per common share for gross proceeds of $364,250. The Company incurred issuance costs of $185,260. Moreover, the Company granted the agents of the offering the option to acquire 364,250 common shares, valued at $15,000, at a price of $0.10 per share for a period of 24 months following the IPO.
The Company is a Capital Pool Company (a **"CPC"**), as defined in the CPC Policy. The principal business of the Company is the identification and evaluation of potential opportunities with a view to completing a Qualifying Transaction. See "Subsequent Events" below for more information on the Company's proposed Qualifying Transaction (the **"Proposed Qualifying Transaction"**). For more information on the Company, please refer to the Prospectus.

Overall Performance:
As stated above, the Corporation issued the Seed Shares in September and October, 2008, for aggregate gross proceeds of $322,500. The CPC Policy sets out the permitted uses of proceeds realized from the sale of all securities issued by a CPC, which include fees for legal and accounting services, agents' fees, costs and commissions and listing and filing fees. For the nine months period ended September 30 2010, the Company has a net loss of $159,327 consisting of professional and filing fees associated with the proposed qualifying transaction and ongoing administrative and general expenses for listing on the Exchange.

Results of Operations:
As at September 30, 2010, the Company had no business operations other than the identification and evaluation of potential opportunities with a view to completing a Qualifying Transaction. The net loss of $159,327 for the nine months period ended September 30, 2010, was due primarily to the expenses incurred in such period as set out above. See below for more information on the Company's Proposed Qualifying Transaction.

Selected Interim Financial Information:
A summary of selected financial information for the three months period ended is as follows:

Statement of Loss and	**2010**				**2009**		
Comprehensive Loss:	**September**	**June**	**March**	**December**	**September**	**June**	**March**
Net loss and comprehensive loss for the period	$79,090	$57,068	$23,169	$17,447	$20,382	$53,192	$13,119
Loss per share - basic and diluted	$0.01	$0.01	$0.00	$0.00	$0.00	$0.01	$0.00
Balance Sheet:							
Working capital	$207,952	$287,042	$344,110	$367,279	$415,447	$435,829	$279,311

Total assets	221,127	$297,417	$349,110	$396,817	$428,625	$445,031	$295,811
Long-term liabilities	$NIL	$NIL	$NIL	$NIL	$NIL	$NIL	$NIL

Liquidity and Capital Resources:
As at September 30, 2010 the Company had $29,710 in cash as a result of net proceeds derived from the issuance of the Shares, which management considers to be sufficient to meet the Company's ongoing obligations.

Financial Instruments and Other Instruments:
The Corporation's financial instruments consist of cash, sundry receivable, loan receivable, and accounts payable and accrued liabilities. It is management's opinion that the Corporation is not exposed to significant interest, currency or credit risks arising from these financial instruments and that the fair value of these financial instruments approximates their carrying values.

Disclosure of Outstanding Share Data:
As more specifically described above under "Company Overview", there are 10,092,500 issued and outstanding common shares in the capital of the Company.

Significant Accounting Policies

The Corporation's significant accounting policies are summarized in Note 2 to the unaudited financial statements for the period ended September 30, 2010.

Future Changes in Accounting Policies:

Business Combinations, Consolidated Financial Statements and Non-Controlling Interests -
The CICA issued three new accounting standards in January 2009: Section 1582, Business Combinations, Section 1601, Consolidated Financial Statements and Section 1602, Non-Controlling Interests. These new standards will be effective for fiscal years beginning on or after January 1, 2011. The Corporation is in the process of evaluating the requirements of the new standards. Section 1582 replaces section 1581 and establishes standards for the accounting for a business combination. It provides the Canadian equivalent to International Financial Reporting Standard IFRS 3 - Business Combinations. The section applies prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after January 1, 2011. Sections 1601 and 1602 together replace section 1600, Consolidated Financial Statements. Section 1601, establishes standards for the preparation of consolidated financial statements. Section 1601 applies to interim and annual consolidated financial statements relating to fiscal years beginning on or after January 1, 2011. Section 1602 establishes standards for accounting for a non-controlling interest in a subsidiary in consolidated financial statements subsequent to a business combination. It is equivalent to the corresponding provisions of International Financial Reporting Standard IAS 27 – Consolidated and Separate Financial Statements and applies to interim and annual consolidated financing statements related to fiscal years beginning on or after January 1, 2011.

Financial Instruments – Recognition and Measurement

In June 2009, the CICA issued amendments to Section 3855, Financial Instruments – Recognition and Measurement, to clarify when an embedded prepayment option is separated from its host debt instrument for accounting purposes. Amendments apply to interim and annual financial statements relating to years beginning on/after January 1, 2011. Management does not expect that the adoption of this new standard will have significant impact on the Company's financial statements.

Multiple Deliverable Revenue Arrangements – EIC 175
In December 2009, the CICA approved EIC 175, Multiple Deliverable Revenue Arrangements. This guidance addresses some aspects of the accounting by a vendor for arrangements under which it will perform multiple revenue-generating activities, and how arrangement consideration should be measured and allocated to the separate units of accounting in the arrangement. This guidance may be applied prospectively and should be applied to revenue arrangements with multiple deliverables entered into or materially modified in the first annual fiscal period beginning on or after January 1, 2011. Early adoption is permitted. Management is assessing the impact of EIC 175 on the Company's financial statements.

International Financial Reporting Standards ("IFRS") - In February 2008, the Accounting Standards Board confirmed that International Financial Reporting Standards (IFRS) will replace Canadian GAAP for publicly accountable enterprises for financial periods beginning on and after January 1, 2011. The Corporation's first mandatory filing under IFRS, which will be the first quarter of 2011, will contain IFRS-compliant information on a comparative basis, as well as reconciliations for that quarter and as at January 1, 2010 transition date. Although IFRS uses a conceptual framework similar to Canadian GAAP, there are significant differences in recognition, measurement and disclosure.
The Corporation has developed a detailed plan for IFRS convergence comprised of three related phases:
- phase 1 review and assessment, which involved a detailed review of all relevant IFRS
standards to identify differences with our current accounting policies and practices; the separate consideration of one - time accounting policy alternatives that must be addressed at the changeover date (IFRS 1 considerations), and those accounting policy choices that will be applied on an ongoing basis in periods subsequent to the changeover to IFRS; the prioritization of those differences that could have a significant impact on our financial statements, business processes and IT;

International Financial Reporting Standards ("IFRS") - continued

- phase 2, design, which includes the evaluation of accounting policy alternatives and the investigation, development and documentation of solutions to resolve differences identified in phase 1, reflecting changes to existing accounting policies and practices, business processes, IT and internal controls.

- phase 3, implementation, which involves implementing the changes to affected accounting policies and practices, business processes, systems and internal controls. The changes will be tested prior to the formal reporting requirements under IFRS to ensure all significant differences are properly addressed in time for the changeover.

The Corporation is into the second phase of its conversion plan and has completed a detailed analysis of the standards, identifying a number of accounting differences and policy alternatives, including one-time accounting alternatives under IFRS. There are a number of IFRS standards in the process of being amended by the International Accounting Standards Board and are expected to continue until the transition date of January 1, 2011. The Corporation is actively monitoring proposed changes.

The following areas have been identified as having the highest potential impact on the Corporation's financial reporting: methodology for impairment testing, future taxes, accounting for stock compensation, disclosure and presentation and the provisions related to the initial adoption of IFRS under IFRS 1, *First Time Adoption*.

The Corporation is also working on implementing changes to its financial information systems and processes to enable it to maintain data required to report its 2010 financial information under IFRS for comparative purposes.

The Corporation's transition plans are on schedule and further updates on the status of key activities for this project will be provided in the Corporation's 2010 interim Management's Discussion and Analysis.

Proposed Qualifying Transaction:

On February 6 2009, the Corporation entered into a non-binding letter of intent in respect of a proposed acquisition (the "Proposed Qualifying Transaction") with Stannico Resources Inc. ("Stannico"). The letter of intent was subsequently amended on September 18, 2009. If the Proposed Qualifying Transaction is completed, the Corporation would acquire all of the issued and outstanding common shares in the capital of Stannico from the shareholders of Stannico as well as any outstanding loans of Minas de Estano de Espana, Stannico's wholly owned subsidiary. On February 28, 2010 the Letter of Intent was extended by the parties to August 31, 2010. On August 31, 2010 the Letter of Intent was extended to February 28, 2011.

Off balance sheet arrangements

The Corporation had no off balance sheet arrangements.

Disclosure Controls and Procedures

Management of the Corporation, consisting of the President and Chief Executive Officer and the Chief Financial Officer, have evaluated the effectiveness of the Corporation's disclosure controls and procedures as required by Canadian securities laws. Based on that evaluation, they have concluded that, as of the end of the period covered by this Management's Discussion and Analysis, the disclosure controls and procedures were effective to provide reasonable assurance that information required to be disclosed in the Corporation's annual filings and interim filings (as such terms are defined under Multilateral Instrument 52-109 – Certification of Disclosure in Issuers' Annual and Interim Filings) and other reports filed or submitted under Canadian securities laws is recorded, processed, summarized and reported within the time periods specified by those laws and that material information is accumulated and communicated to management as appropriate to allow timely decisions regarding required disclosure.

Internal Control Risks

The Chief Executive Officer and Chief Financial Officer ("CFO") are responsible for designing internal controls over financial reporting in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the Corporation's financial statements for external purposes in accordance with Canadian GAAP. The design of the Corporation's internal control over financial reporting was assessed as of the date of this Management Discussion and Analysis.

Based on this assessment, it was determined that certain weaknesses existed in internal controls over financial reporting. As indicative of many small companies, the lack of segregation of duties and effective risk assessment were identified as areas where weaknesses existed. The existence of these weaknesses is to be compensated for by senior management monitoring, which exists. The officers will continue to monitor very closely all financial activities of the Corporation and increase the level of supervision in key areas. It is important to note that this issue would also require the Corporation to hire additional staff in order to provide greater segregation of duties. Since the increased costs of such hiring could threaten the Corporation's financial viability, management has chosen to disclose the potential risk in its filings and proceed with increased staffing only when the budgets and work load will enable the action. The Corporation has attempted to mitigate these weaknesses, through a combination of extensive and detailed review by the CFO of the financial reports, the integrity and reputation of senior accounting personnel, and candid discussion of those risks with the Board of Directors.

Risk Factors:

The Company's overall performance and results of operations are subject to a number of risks and uncertainties. Please refer to the risk factors outlined in the Prospectus.

Additional Information:

Additional information relating to the Company is available on SEDAR at www.sedar.com.

SCHEDULE E

CONSOLIDATED FINANCIAL STATEMENTS FOR STANNICO FOR YEARS ENDED DECEMBER 31, 2009, 2008 and 2007 (Audited)

NINE MONTHS ENDED SEPTEMBER 30, 2010

(Unaudited)

Stannico Resources Inc.

Consolidated Financial Statements

Years Ended December 31, 2009, 2008 and 2007

(Audited)

Nine Months Ended September 30, 2010

(Unaudited)

DALE MATHESON
CARR-HILTON LABONTE LLP
DMCL CHARTERED ACCOUNTANTS

Partnership of:
Vancouver: Robert J. Burkart, Inc. James F. Carr-Hilton Ltd. Kenneth P. Chong Inc. Alvin F. Dale Ltd. Barry S. Hartley, Inc. Reginald J. LaBonte Ltd. Robert J. Matheson, Inc. Rakesh I. Patel Inc. F.M. Yada FCA Inc.
South Surrey: Michael K. Braun Inc. Peter J. Donaldson, Inc.
Port Coquitlam: Wilfred A. Jacobson Inc. G.D. Lee Inc. Fraser G. Ross, Ltd. Brian A. Shaw Inc.

AUDITORS' REPORT

To the Directors of
Stannico Resources Inc.

We have audited the consolidated balance sheets of Stannico Resources Inc. as at December 31, 2009, 2008 and 2007 *(Note 1)* and the consolidated statements of loss, comprehensive loss and deficit and cash flows for the years then ended. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2009, 2008 and 2007 and the results of its operations and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

"DMCL"

DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED ACCOUNTANTS

Vancouver, Canada
January 31, 2011

Vancouver (Head Office) Suite 1500 - 1140 West Pender Street, Vancouver, B.C., Canada V6E 4G1, Tel: 604 687 4747 • Fax: 604 689 2778 - Main Reception
South Surrey Suite 301 - 1656 Martin Drive, White Rock, B.C., Canada V4A 6E7, Tel: 604 531 1154 • Fax: 604 538 2613
Port Coquitlam Suite 700 - 2755 Lougheed Highway, Port Coquitlam, B.C., Canada V3B 5Y9, Tel: 604 941 8266 • Fax: 604 941 0971

DALE MATHESON CARR-HILTON LABONTE LLP
DMCL CHARTERED ACCOUNTANTS

Partnership of:

Vancouver: Robert J. Burkart, Inc. · James F. Carr-Hilton Ltd. · Kenneth P. Chong Inc. · Alvin F. Dale Ltd. · Barry S. Hartley, Inc. · Reginald J. LaBonte Ltd. · Robert J. Matheson, Inc. · Rakesh I. Patel Inc. · F.M. Yada FCA Inc.

South Surrey: Michael K. Braun Inc. · Peter J. Donaldson, Inc.

Port Coquitlam: Wilfred A. Jacobson Inc. · G.D. Lee Inc. · Fraser G. Ross, Ltd. · Brian A. Shaw Inc.

REVIEW ENGAGEMENT REPORT

To the Directors of
Stannico Resources Inc.

We have reviewed the consolidated balance sheet of Stannico Resources Inc. as at September 30, 2010 and the consolidated statements of loss, comprehensive loss and deficit and cash flows for the nine month period then ended. Our review was made in accordance with Canadian generally accepted standards for review engagements and accordingly consisted primarily of enquiry, analytical procedures and discussion related to information supplied to us by the company.

A review does not constitute an audit and consequently we do not express an audit opinion on these financial statements.

Based on our review, nothing has come to our attention that causes us to believe that these financial statements are not, in all material respects, in accordance with Canadian generally accepted accounting principles

"DMCL"

DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED ACCOUNTANTS

Vancouver, Canada
January 31, 2011

Vancouver (Head Office) Suite 1500 - 1140 West Pender Street, Vancouver, B.C., Canada V6E 4G1, Tel: 604 687 4747 • Fax: 604 689 2778 - Main Reception
South Surrey Suite 301 - 1656 Martin Drive, White Rock, B.C., Canada V4A 6E7, Tel: 604 531 1154 • Fax: 604 538 2613
Port Coquitlam Suite 700 - 2755 Lougheed Highway, Port Coquitlam, B.C., Canada V3B 5Y9, Tel: 604 941 8266 • Fax: 604 941 0971

Stannico Resources Inc.
(An Exploration Stage Company)

Consolidated Balance Sheets

	September 30, 2010 (Unaudited)	December 31, 2009 (Audited)	December 31, 2008 (Audited)	December 31, 2007 (Audited)
Assets				
Current assets				
Cash	$ 30,265	$ 309,831	$ 46,390	$ -
Sundry receivables and prepaid expenses	55,832	84,842	42,085	-
	86,097	394,673	88,475	-
Equipment *(note 6)*	7,672	6,523	4,460	4,398
Mineral properties and deferred exploration expenditures *(note 7)*	1,661,043	698,761	243,954	-
	$1,754,812	$1,099,957	$ 336,889	$ 4,398
Liabilities				
Current liabilities				
Accounts payable and accrued liabilities	$ 575,006	$ 224,201	$ 77,665	$ -
Due to shareholder *(note 8)*	66,101	154,249	-	-
Due to Eurotin Inc. *(note 9)*	180,000	25,000	-	-
	821,107	403,450	77,665	-
Convertible debt *(note 10)*	485,092	440,582	386,192	-
Accrued interest *(note 10)*	34,840	30,221	15,096	-
	1,341,039	874,253	478,953	-
Shareholders' equity (deficiency)				
Share capital (*note 12 (b)*)	1,115,681	411,920	4,398	4,398
Common shares to be issued (*note 12 (b)*)	-	281,360	-	-
Equity portion of convertible debt *(note 10)*	131,846	131,846	131,946	-
Warrants (*note 12 (c)*)	382,703	223,478	-	-
Contributed surplus *(note 13)*	386,338	-	-	-
Deficit	(1,602,795)	(822,900)	(278,308)	-
	413,773	225,704	(142,064)	-
	$1,754,812	$1,099,957	$ 336,889	$ 4,398

Going concern *(note 1)*
Subsequent events *(note 17)*
Commitments *(note 15)*

The accompanying notes are an integral part of these consolidated financial statements

Approved by the Board

Signed: *"Peter Miller"*
Director

Signed: *"Norman Brewster"*
Director

Consolidated Statements of Loss, Comprehensive Loss and Deficit
for the nine months ended September 30, 2010 and 2009 and the years ended December 31, 2009, 2008 and 2007

	September 30, 2010 (Unaudited)	September 30, 2009 (Unaudited)	December 31, 2009 (Audited)	December 31, 2008 (Audited)	December 31, 2007 (Audited)
Expenses					
Stock based compensation *(note 13)*	$ 386,338	$ -	$ -	$ -	$ -
Professional fees	151,442	195,809	261,079	10,099	-
Office and general	98,771	100,728	134,304	111,424	-
Occupancy costs	52,791	14,381	19,174	24,849	-
Salary expense	46,589	37,894	50,525	31,921	-
Accretion expense *(note 10)*	44,510	40,792	54,389	18,038	-
Interest on long-term debt	3,348	11,344	15,125	15,096	-
Bank charges	2,246	1,439	1,919	1,044	-
Advertising and promotion	357	2,711	3,614	849	-
Amortization	-	424	565	608	-
	786,392	405,522	540,694	213,928	-
Other item					
Foreign exchange gain (loss)	6,497	(2,924)	(3,898)	(64,380)	-
Net loss and comprehensive loss for the period	(779,895)	(408,446)	(544,592)	(278,308)	-
Deficit, beginning of period	(822,900)	(278,308)	(278,308)	-	-
Deficit, end of period	$(1,602,795)	**$** (686,754)	$(822,900)	$(278,308)	$ -

Loss per share *(note 14)*

The accompanying notes are an integral part of these consolidated financial statements

Stannico Resources Inc.

(An Exploration Stage Company)

Consolidated Statements of Cash Flows

for the nine months ended September 30, 2010 and 2009 and the years ended December 31, 2009, 2008 and 2007

	September 30, 2010 (Unaudited)	September 30, 2009 (Unaudited)	December 31, 2009 (Audited)	December 31, 2008 (Audited)	December 31, 2007 (Audited)
Cash flows used in operating activities					
Net loss for the period	$ (779,895)	$ (408,446)	$ (544,592)	$ (278,308)	$ -
Items not involving cash:					
Stock-based compensation	386,338	-	-	-	-
Foreign exchange	1,272	-	-	-	-
Amortization	-	424	566	608	-
Accretion expense	44,510	40,792	54,389	18,038	-
Non-cash interest	3,348	11,344	15,126	15,096	-
	(344,427)	(355,886)	(474,511)	(244,566)	-
Net changes in non-cash working capital items:					
Increase (decrease) in sundry receivables and prepaids	29,010	(32,067)	(42,757)	(42,085)	-
Increase in accounts payable and accrued liabilities	52,297	109,981	146,536	77,665	-
	(263,120)	(277,972)	(370,732)	(208,986)	-
Cash flows used in investing activities					
Purchase of equipment	(1,149)	-	(2,629)	(670)	-
Mineral properties and deferred exploration expenditures	(663,775)	(284,105)	(378,807)	(243,954)	-
	(664,924)	(284,105)	(381,436)	(244,624)	-
Cash flows used in financing activities					
Iincreasein due to shareholder	56,476	115,687	154,249	-	-
Proceeds from convertible debt	-	-	-	500,000	-
Proceeds from common share issuance	437,002	375,000	836,360	-	-
Advance from Eurotin	155,000	25,000	25,000	-	-
	648,478	515,687	1,015,609	500,000	-
Increase (decrease) in cash	(279,566)	(46,390)	263,441	46,390	-
Cash, beginning of period	309,831	46,390	46,390	-	-
Cash, end of period	$ 30,265	$ -	$ 309,831	$ 46,390	$ -
Non-cash investing activities					
Shares issued for mineral property expenditures	$ -	$ 76,000	$ 76,000	$ -	$ -
Other cash flow information					
Interest paid	$ -	$ -	$ -	$ -	$ -
Taxes paid	$ -	$ -	$ -	$ -	$ -

The accompanying notes are an integral part of these consolidated financial statements

1. Nature of Operations and Going Concern

Stannico Resources Inc. (“the Company” or "Stannico") was incorporated on October 9, 2008 under the laws of the province of Ontario. The Company acquired 100% of the issued common shares of Minas De Estano De Espana, S.L.U. ("MEE"), a private corporation incorporated on November 29, 2006 whose business is the exploration, research, exploitation and utilization of mineral deposits, resources and substances, as well as the establishment of industries related to them, to obtain mining, industrial and chemical products and processed products in general. The acquisition was accomplished through an exchange of shares which resulted in the former shareholders of MEE obtaining control of the Company. Stannico was formed by the principal shareholders of MEE for the purposes of the MEE acquisition and to raise and facilitate funding in capital markets for the MEE exploration and development programs. In accordance with EIC 124 “Definition of a Business” of the CICA Handbook, the transaction is accounted for as a capital transaction, that is, a financing and recapitalization of MEE. The results of operations of Stannico are included in the financial statements from October 8, 2008, the date of completion of the transaction. For accounting purposes, the Company is considered to be a continuation of MEE except with regard to the authorized and issued share capital, which is that of the legal parent company, Stannico.

These financial statements have been prepared on the basis that the Company is a going concern, which contemplates the realization of its assets and the settlement of its liabilities in the normal course of operations. The exploration, development and financing of mineral properties involves substantial risks and several phases of exploration, evaluation and financing. The ability of the Company to continue operations and achieve profitability is dependent upon obtaining the necessary financing to complete the successful development of its mineral properties and ultimately upon the discovery and commercialization of mineral resources. These financial statements do not include any adjustments related to the carrying values and classifications of assets and liabilities that would be necessary should the Company be unable to continue as a going concern.

Management believes the Company has, or will have access to sufficient capital resources and funding to facilitate the Company’s financial commitments and needs for the ensuing year. Accordingly, the going concern assumption is appropriate. Subsequent to September 30, 2010 the Company entered into a transaction whereby it would become a wholly owned subsidiary of a publicly traded company. Refer to Note 17.

2. Significant Accounting Policies

The accounting policies of the Company are in accordance with Canadian generally accepted accounting principles ("GAAP") as set out by the Canadian Institute of Chartered Accountants (“CICA”). Outlined below are those policies considered significant:

Consolidation
These consolidated financial statements include the accounts of the Company and its wholly owned subsidiary MEE. All inter-company transactions and balances have been eliminated upon consolidation.

2. Significant Accounting Policies - continued

Financial instruments

The Company's financial instruments include cash, sundry receivables, accounts payable and accrued liabilities, due to shareholder, due to Eurotin Inc. and convertible debt.

Cash and term deposits are classified as held-for-trading. The carrying value of these instruments approximates their fair value due to their short-term nature.

Sundry receivables are classified as loans and receivables, accounts payable and accrued liabilities, due to shareholder, due to Eurotin Inc. and convertible debt are classified as other financial liabilities, all of which are measured at amortized cost.

Mineral properties and deferred exploration expenditures

Mineral property acquisition costs and related direct exploration and development expenditures, net of recoveries, are deferred until the properties are placed into production. These net costs will be amortized against income using the unit of production method based on estimated recoverable reserves if the properties are brought into commercial production, or written down if the properties are abandoned or impaired., The cost of mineral properties includes any cash consideration paid, and the fair market value of shares and other consideration issued, if any, on the acquisition of property interests. Costs related to properties acquired under option agreements or joint ventures, whereby payments or other considerations are made at the sole discretion of the Company, are recorded in the accounts at such time as the payments are made. For properties held jointly with other parties the Company only records its proportionate share of acquisition and exploration costs. The proceeds from options or participation rights granted to third parties are deducted from the cost of the related property and any excess is deducted from other remaining capitalized property costs. The recorded amounts of property acquisition costs and their related deferred exploration costs represent actual expenditures incurred and may not reflect actual, present or future values.

The Company enters into option agreements for mineral property interests by earn-in and expenditure arrangements. No initial cost or fair value amount is initially determined or allocated as acquisition cost unless such amounts can be reliably determined.

The recoverability of carrying amounts for mineral properties and deferred expenditures is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain financing to complete development of the properties, and on future profitable production or proceeds from the disposition thereof.

Mineral properties are reviewed for possible impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. When events or changes in circumstances indicate possible impairment, estimated future cash flows from a mine or development project are calculated using estimated future prices, mineral resources and operating and capital costs on an undiscounted basis. When estimated future undiscounted cash flows are less than the carrying amount, the asset is considered impaired. Reductions in carrying amount of assets or groups of assets are recorded to the extent the carrying value exceeds the fair value.

2. Significant Accounting Policies - continued

Environmental expenditures and asset retirement obligations

The business conducted by the Company may be affected by environmental legislation and possible future changes thereto, the impact of which is subject to uncertainty. Environmental expenditures that relate to ongoing environmental and reclamation programs are charged against earnings as incurred or capitalized and amortized depending on their future economic impacts.

The Company recognizes the fair value of a liability for an asset retirement obligation only in the period in which it is identified and when a reasonable estimate of fair value can be made.

The Company has determined that there are no identified significant asset retirement obligations nor any other identified environmental obligations associated with its mineral properties, and therefore no liability has been recognized in these financial statements.

Environmental laws and regulations are complex and subject to uncertainty. There can be no assurance that all situations in the Company's exploration program that may give rise to a liability have been identified.

Income taxes

The Company accounts for income taxes using the asset and liability method of accounting. Under this method, future income tax assets and future income tax liabilities are recorded based on temporary differences between the financial reporting basis of the Company's assets and liabilities and their corresponding tax basis. The future benefits of income tax assets, including unused tax losses, are recognized subject to a valuation allowance, to the extent that it is more likely than not that such losses will be ultimately utilized. These future income tax assets and liabilities are measured using substantively enacted tax rates and laws that are expected to apply when the tax assets or liabilities are to be settled or realized.

Foreign currency translation

All of the Company's foreign operations are considered integrated foreign operations and the temporal method is used to convert these operations into Canadian dollars. Under the temporal method, monetary assets and liabilities are translated into Canadian dollars at the rate of exchange in effect at the balance sheet date and non monetary assets and liabilities are translated into Canadian dollars at historical exchange rates. Transactions are translated into Canadian dollars at the rate of exchange in effect on the dates they occur. Amortization of assets is translated at the same historical exchange rate as the assets to which they relate. Exchange gains and losses arising on the translation of integrated foreign operations are included in the determination of net loss.

Basic and diluted loss per share

The basic loss per share has been calculated based upon the weighted average number of common shares outstanding during the year. Diluted loss per share considers the potential exercise of outstanding options, warrants and other convertible instruments. Stock options and warrants outstanding are not included in the computation of diluted loss per share if their inclusion would be anti dilutive. The treasury stock method is used to calculate diluted earnings per share and assumes any option proceeds would be used to purchase common shares at the average market price during the period. (Note 14).

2. Significant Accounting Policies - continued

Measurement uncertainty

The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates and assumptions.

Significant estimates used in the preparation of these financial statements include, but are not limited to the estimated net realizable value of the mineral properties, deferred exploration expenditure allocations of costs to mineral properties, stock based transactions and composition of future income tax assets and related valuation allowance.

Future income taxes are based on estimates as to timing of the reversal of temporary differences and tax rates currently substantively enacted.

By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant.

Recent accounting pronouncements

Fair Value Hierarchy and Liquidity Risk Disclosure

In June 2009, the CICA Handbook amended Section 3862, Financial Instruments - Disclosures ("Section 3862"), to include additional disclosure requirements about fair value measurement for financial instruments and liquidity risk disclosures. These amendments require a three-level hierarchy that reflects the significance of the inputs used in making the fair value measurements. The amendments to Section 3862 apply for annual financial statements relating to fiscal years ending after September 30, 2009. The three levels of fair value hierarchy under Section 3862 are:

- Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 - Inputs other than quoted prices that are observable for assets or liabilities, either directly or indirectly; and
- Level 3 - Inputs for assets or liabilities that are not based on observable market data.

The Company's financial instruments carried at fair value include cash and term deposits.

With respect to all of these financial instruments, the Company estimates that the fair value of these financial instruments approximates the carrying values at December 31, 2009 and December 31, 2008 respectively, and as such they are classified within Level 1 of the fair value hierarchy.

Credit Risk and the Fair Value of Financial Assets and Financial Liabilities

In January 2009, the Emerging Issues Committee of the CICA issued EIC 173, Credit Risk and the Fair Value of Financial Assets and Financial Liabilities, which applies to interim and annual financial statements for periods ending on or after January 20, 2009. The adoption of this standard had no impact on the Company's presentation of its financial position or results of operations for the year ended December 31, 2009 and the nine month period ended September 30, 2010.

2. Significant Accounting Policies - continued

Recent accounting pronouncements - continued

Goodwill and Intangible Assets

Effective April 1, 2009, the Company adopted CICA Handbook Section 3064 – Goodwill and Intangible Assets which replaced CICA Handbook sections 3062 and 3450, EIC 27 and part of Accounting Guideline 11. The objectives of Section 3064 are to reinforce the principle based approach to the recognition of assets only in accordance with the definition of an asset and the criteria for asset recognition and to clarify the application of the concept of matching revenues and expenses such that the current practice of recognizing asset items that do not meet the definition and recognition criteria is eliminated. The portions in the new standard with respect to Goodwill remain unchanged. The new standard also provides guidance for the recognition of internally developed intangible assets (including research and development activities), ensuring consistent treatment of all intangible assets.

The adoption of this standard had no impact on the Company's presentation of its financial position or results of operations for the year ended December 31, 2009 and the nine month period ended September 30, 2010.

Credit risk and the fair value of financial assets and financial liabilities

On January 20, 2009, the Emerging Issues Committee ("EIC") of the Canadian Accounting Standards Board ("AcSB") issued EIC Abstract 173, Credit Risk and Fair Value of Financial Assets and Financial Liabilities ("EIC 173"), which establishes that an entity's own credit risk and the credit risk of the counterparty should be taken into account in determining the fair value of financial assets and financial liabilities, including derivative instruments. EIC 173 should be applied retrospectively without restatement of prior years to all financial assets and liabilities measured at fair value in interim and annual financial statements for periods ending on or after January 20, 2009. Adoption of this EIC did not have a significant impact on the Company's financial statements.

Mining exploration costs

In March 2009 the Company adopted CICA issued Emerging Issues Committee Abstract 174 - *Mining Exploration Costs* which amends EIC-126 - *Accounting by Mining Enterprises for Exploration Costs*, to provide additional guidance for mining exploration enterprises on the accounting for capitalization of exploration costs and when an impairment test of these costs are required. EIC – 126 has been withdrawn. Adoption of EIC 174 did not have a significant impact on the Company's financial statements.

3. Future Accounting Pronouncements

International Financial Reporting Standards ("IFRS")

In February 2008, the Canadian Accounting Standards Board ("AcSB") confirmed that IFRS will replace Canadian GAAP in 2011 for Canadian publicly accountable companies. The Company intends to become a publicly accountable enterprise through a planned initial public offering of its shares (Note 15). Accordingly, upon completion of the planned transactions, the Company will be required to report its financial positions and results in accordance with IFRS beginning in 2011. This will also require the restatement for comparative purposes of amounts reported by the Company for the year ended December 31, 2010. The Company has begun assessing and reviewing the impact of IFRS adoption. Management plans for the initial adoption of IFRS include training, securing additional expertise, board level oversight and review of the options and impacts involved. Management believes that the Company will be adequately prepared for the conversion to IFRS by the implementation date.

4. Capital Management

When managing capital, the Company's objective is to ensure the entity continues as a going concern and to ultimately generate sufficient returns to shareholders. Management adjusts the capital structure as necessary in order to support the acquisition, exploration and development of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management team to sustain the future development of the business.

The Company considers its capital to include shareholder equity, which is comprised of common shares and accumulated deficit. To the extent long-term convertible debt is expected to be converted, the Company considers such debt and related equity components to be capital.

The mineral resource properties in which the Company currently has an interest are in the exploration stage. As such the Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for administrative costs, the Company will use its existing working capital and raise additional amounts as needed. The Company will continue to assess new properties and seek to acquire interests in additional properties if it feels there is sufficient potential and if it has adequate financial resources available.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. The Company entered into a letter of intent whereby the Company's common shares would be listed on the TSX Venture Exchange (Note 16).

The Company is not subject to externally imposed capital requirements.

5. Property and Financial Risk Factors

Property risk

The Company's primary mineral property is the Oropesa property. Unless the Company acquires or develops additional significant properties, the Company will be dependent upon this property. If no additional mineral properties are acquired by the Company, any adverse development affecting the project could have a material adverse effect on the Company's overall financial condition and results of operations.

Financial risk

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including interest rate, foreign exchange rate and commodity and equity price risk).

Risk management is carried out by the Company's management team under policies approved by the Board of Directors. The Board of Directors also provides regular guidance for overall risk management.

(i) Credit risk

Credit risk is the risk of loss associated with counterparty's inability to fulfil its payment obligations. The Company's credit risk is primarily attributable to cash and term deposits. Cash is held by Canadian and Spanish chartered banks, from which management believes the risk of loss to be minimal.

(ii) Liquidity risk

Management's approach to managing liquidity risk is to ensure that the Company will have sufficient liquidity to meet liabilities when due. As at September 30, 2010, the Company had a cash balance of $30,265 to settle current liabilities of $821,107. Subsequent to September 30, 2010 the Company raised approximately $3,300,000 (Note 17). All of the Company's financial liabilities (excluding long-term convertible debt) have contractual maturities of less than one year and are subject to normal trade terms.

(iii) Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates and commodity and equity prices.

(a) Interest rate risk

The Company has cash balances and interest bearing debt. The Company's current policy is to invest excess cash in certificates of deposit issued by Canadian and Spanish chartered banks. Management periodically monitors the Company's investments and is satisfied with the creditworthiness of its chartered banks.

The Company was exposed to interest rate risk related to its convertible debt since the interest rate charged fluctuates with the general level of interest rates.

(b) Foreign currency risk

The Company's functional and reporting currency is the Canadian dollar and major purchases are transacted in Canadian dollars and Euros. The Company funds exploration expenses in Spain primarily through funds raised in Canada, denominated in Canadian dollars. The Company maintains a Euro bank account in Spain with sufficient funds to support monthly forecasted cash outflows. The Company is exposed to moderate foreign exchange risk derived from currency conversions as it does not hedge its foreign exchange risk.

5. Property and Financial Risk Factors - continued

Financial risk - continued

(c) Commodity and equity price risk

Commodity price risk could adversely affect the Company. In particular, the Company's future profitability and viability of development depends upon the world market price of precious and base metals and other minerals. Precious and base metals and other mineral prices are subject to significant variability. There is no assurance that, even if commercial quantities of precious and base metals and other minerals may be produced in the future, that worldwide commodity pricing will provide a profitable market for the Company.

As of September 30, 2010, the Company was not a precious minerals, base metals or other minerals producer. Commodity price risk may affect the completion of future equity transactions such as equity offerings and the exercise of stock options and warrants. This may also affect the Company's liquidity and its ability to meet its ongoing obligations.

6. Equipment

	Cost	Accumulated Amortization	Net Book Value
September 30, 2010			
Furniture and fixtures	$ 894	$ 98	$ 796
Computer equipment	8,658	1,782	6,876
	$ 9,552	$ 1,880	$ 7,672
December 31, 2009			
Furniture and fixtures	$ 894	$ 98	$ 796
Computer equipment	7,509	1,782	5,727
	$ 8,403	$ 1,880	$ 6,523
December 31, 2008			
Furniture and fixtures	$ 894	$ 48	$ 846
Computer equipment	4,880	1,266	3,614
	$ 5,774	$ 1,314	$ 4,460
December 31, 2007			
Furniture and fixtures	$ 894	$ -	$ 894
Computer equipment	3,504	-	3,504
	$ 4,398	$ -	$ 4,398

7. Mineral Properties and Deferred Exploration Expenditures

	January 1, 2010	Additions	September 30, 2010
Oropesa Property (i)	$ 426,858	$ 788,471	$ 1,215,329
Santa Maria Property (ii)	271,903	173,811	445,714
	$ 698,761	$ 962,282	$ 1,661,043

	January 1, 2009	Additions	December 31, 2009
Oropesa Property (i)	$ 190,371	$ 236,487	$ 426,858
Santa Maria Property (ii)	53,583	218,320	271,903
	$ 243,954	$ 454,807	$ 698,761

	January 1, 2008	Additions	December 31, 2008
Oropesa Property (i)	$ -	$ 190,371	$ 190,371
Santa Maria Property (ii)	-	53,583	58,583
	$ -	$ 243,954	$ 243,954

(i) On February 15, 2008, the Company acquired the right to earn a 50% direct interest in the Oropesa Investigation Permit No. 13.050 ("IP Oropesa") from Sondeos y Perforaciones Industriales del Biezro, SA ("SPI"). IP Oropesa is situated in Spain within the North East part of the Region of Adalucia.

The Company can earn a 50% direct interest by spending €1,500,000 on exploration over a three year period. A further 50% interest can be acquired by:

(a) granting SPI a 1.35% net smelter royalty, paying the vendor 0.90% of the value of metal in reserves at the time of feasibility;

(b) paying the vendor 0.90% of the value of the metal reserves at the time of feasibility; and

(c) in the event of commercial production the Company has committed to issue to SPI 4% of the equity of the entity developing and mining Oropesa.

In order to keep the right in good standing the Company must make annual lease payments of €18,000 (C$27,074 as at December 31, 2009)

On March 18, 2008, the Company entered into an option agreement with Minas Tenidas S.A.U ("MATSA") whereby MATSA can earn a 25% interest in the Orespea property. In order to earn its interest, within 45 days of receiving a pre-feasibility study, MATSA must reimburse the Company double the amount of expenses incurred by the Company in bringing the Oropesa property to pre-feasibility status.

7. Mining Properties and Deferred Exploration Expenditures - continued

The purpose of this Option agreement is to provide MATSA the opportunity to participate directly in the Oropesa property at the time of completion of a Pre Feasibility Study. This agreement is in effect for 36 months from the date of signing, automatically renewable on a one year basis. In the event MATSA exercises the right granted in this option agreement, then MATSA irrevocably commits to refund its 25% direct share of expenditures required to complete a bankable feasibility study.

During the nine months ended September 30, 2010 the Company incurred $nil in acquisition costs and $788,471 in exploration costs (December 31, 2009 - $102,657 in acquisition costs and $352,151 in exploration costs; December 31, 2008 - $33,540 in acquisition costs and $210,414 in exploration costs).

(ii) On August 8, 2008 the Company entered into a Letter of Intent to Form a Joint Venture between the Company and Quercus Explorations y Mining S.A. ("QEM"). QEM owns the title and exploration permits named "Gloria" and "Santa Maria". The term of the letter of intent was 18 months. If the Company exercises its option, then on the effective date of a Joint Venture agreement, the Company will pay to QEM the equivalent of US$200,000 in shares of the Company. The number of shares to be delivered to QEM will be determined by the average price of the shares of the Company trading in the TSX Venture Exchange during the last 10 days prior to exercise of the option. The Company is not yet trading on the TSX Venture Exchange. Subsequent to December 31, 2009 the Company informed QEM of its intent to exercise its option. On December 11, 2010 as effective January 1, 2011, the Company and QEM entered into a definitive agreement whereby the two will form and enter into a joint venture (Note 17).

8. Related Party Transactions

The Company entered into an agreement, dated January 1, 2009, with a term of three years for consulting services with a shareholder who is also a director and officer of the Company. The Company is committed to paying €11,000 per month plus a yearly bonus of €13,300. At September 30, 2010 C$66,101 (December 31, 2010 C$154,249) was owing to this director. During the nine months ended September 30, 2010, the Company settled C$144,624 of the amount owing with units (Note 12).

Amounts due to shareholder are unsecured, have no fixed terms of repayment and are non-interest bearing. All transactions with related parties have occurred in the normal course of operations and are measured at their fair value as determined by management.

For nine months ended September 30, 2010 the shareholder charged management fees of €108,975 (December 31, 2009 €145,300; December 31, 2009 nil) of which €87,180 (December 31, 2009 €65,385; December 31, 2009 nil) was capitalized as deferred exploration expenditures and €58,120 (December 31, 2009 €43,950; December 31, 2009 nil) was expensed as professional fees.

9. Due to Eurotin Inc.

The amount due to Eurotin Inc. is non interest bearing, due on demand and fully secured against all of the assets of the Company (Note 17).

10. Convertible Debt

	September 30, 2010	December 31, 2009	December 31, 2008	December 31, 2007
Face value of loans denominated in Canadian dollars bearing interest at the one-year EURIBOR rate in force at the start date of each annual period, unsecured and maturing in fiscal 2015. Payment of interest is deferred until fiscal 2011 with the principal payment to be made in full in fiscal 2015. The loans are convertible, at the option of the holder, at any time into common shares of the Company at $0.075 per share.	$500,000	$500,000	$500,000	$ -
Attributed equity value on face value of convertible debt	(131,846)	(131,846)	(131,846)	-
Accumulated accretion	116,938	72,428	18,038	-
	$485,092	$440,582	$386,192	$ -

The fair value of the liability component of the note, calculated at issuance, in the amount of $368,154, was calculated as the present value of the principal and interest, discounted at 18%, a rate of approximately the market interest rate that would have been applicable to non-convertible debt at the time the notes were issued. This portion of the notes is accreted over the term to the full face value by recording accretion expense using the effective interest method. The equity component of the note, in the amount of $131,846, is comprised of the value of the exchange option, being the difference between the face value of the note and the fair value of the liability component.

Included in the convertible long-term debt balance is a loan, with a face value of $50,000, owed to a company controlled by a director of the Company.

During the period ended September 30, 2010 interest of $3,348 (year ended December 31, 2009 - $11,344; year ended December 31, 2008 - $15,096) was accrued using a EURIBOR rate of 1.23% (December 31, 2009 – 3.03%; December 31, 2008 – 5.1%). At September 30, 2010, $34,840 (December 31, 2009 - $30,221; December 31, 2009 - $30,221) in accrued interest is owing on these loans. Subsequent to year end the convertible loans were fully converted into common shares (Note 15).

10. Convertible Debt - continued

The discount rate of 18% applied to the determination of the fair value of the debt component at the relevant funding dates was assessed by management using valuation inputs based on ranges identified from observable market comparisons of similar transactions in convertible debt securities and the credit worthiness of the Company and the counterparties to the funding. No changes to fair value and rates were considered necessary as at December 31, 2009 or September 30, 2010.

11. Income Taxes

The reconciliation of income taxes attributable to operations computed at the statutory tax rates to the income tax recovery using a statutory tax rate of 25% (December 31, 2008 -25%) are as follows:

	December 31, 2009	December 31, 2008
Loss before income taxes	$ (544,592)	$ 278,308)
Expected income tax (recovery) at Spanish and Canadian blended statutory income tax rates	$ (138,979)	$ (69,577)
Non-deductible tax recovery	8,205	14,443
Foreign exchange on translation of foreign operations	(24,695)	10,785
Increase in valuation allowance	155,469	44,349
Income tax (recovery)	$ -	$ -

Tax effected future income tax assets

Non-capital losses	$ 218,648	$ 44,349
Less: Valuation allowance	(218,648)	(44,349)
Net future income tax assets	$ -	$ -

At December 31, 2009, the Company had unused non-capital losses of approximately $757,000 to offset future taxable income. These losses can only be utilized against future taxable income as follows:

2023	$ 225,000
2024	532,000
	$ 757,000

The Company has not filed Canadian income tax returns since inception in Canada. Inherent uncertainties arise over tax positions taken with respect to transfer pricing, related party transactions, tax credits, tax based incentives and stock based transactions. Management has considered the likelihood and significance of possible risks and penalties associated with its intended Canadian and international filing positions and has determined, based on their assessment, that such penalties, if any, would not be material.

12. Share Capital

(a) Authorized

Unlimited number of common shares with no par value

(b) Issued

	Shares	Amount
Balance December 31, 2007 - MEE	301,200	$ 4,398
Common shares of MEE exchanged for common shares of Stannico	(301,200)	-
Issue of shares and recapitalization on acquisition of MEE (i)	7,000,000	-
Balance, December 31, 2008	7,000,000	4,398
Shares issued on private placements (ii), (iv), (v)	6,649,998	555,000
Shares issued for mineral property services provided (iii)	1,024,000	76,000
Valuation of warrants issued	-	(223,478)
Balance, December 31, 2009	14,673,998	411,920
Shares issued on private placements (vii), (viii), (iv)	5,563,124	730,875
Shares issued as finders' fees (vii)	383,334	46,000
Shares issued for debt (ix)	964,160	144,624
Share issue costs	-	(58,513)
Valuation of warrants issued	-	(159,225)
Balance, September 30, 2010	**21,584,616**	**$ 1,115,681**

(i) MEE and Stannico completed a share for share exchange whereby Stannico issued 7,000,000 common shares for 100% of the issue and outstanding common shares of MEE. The share exchange was treated as an issuance of common shares by the continuing entity MEE. The net assets of Stannico on October 18, 2008 were $NIL and accordingly no value was attributed to the 7,000,000 common shares exchanged in the transaction.

(ii) On February 20, 2009 the Company issued 4,999,999 units of the Company at a price of $0.075 per unit. Each unit comprises one common share and one common share purchase warrant. Each whole warrant entitles the holder to purchase a common share of the Company at a price of $0.10 per share until December 31, 2011.

(iii) On September 30, 2009 the Company issued 490,667 and 533,333 units of the Company for services rendered at a market value of $36,000 and $40,000 respectively. Each unit comprises one common share and one common share purchase warrant. Each whole warrant entitles the holder to purchase a common share of the Company at a price of $0.10 per share until December 31, 2011.

12. Share Capital - continued

(b) Issued - continued

(iv) On November 11, 2009 the Company issued 399,999 units of the Company at a price of $0.075 per unit. Each unit comprises one common share and one half of one common share purchase warrant. Each whole warrant entitles the holder to purchase a common share of the Company at a price of $0.10 per share until December 31, 2011.

(v) On December 1, 2009 the Company issued 625,000 units of the Company at a price of $0.12 per unit. Each unit comprises one common share and one warrant. Each whole warrant entitles the holder to purchase a common share of the Company at a price of $0.15 per share until December 31, 2011. The Company also issued an additional 625,000 units comprising one common share and one warrant. Each warrant entitles the holder to purchase a common share of the Company at a price of $0.18 per share until December 31, 2011.

(vi) During the year ended December 31, 2009 the Company received proceeds of $281,360 related to 2,334,667 common shares issued in connection with the February 10, 2010 private placement which closed during the nine months ended September 30, 2010. This was reflected on the balance sheet as shares to be issued at December 31, 2009.

(vii) On February 10, 2010 the Company issued 3,453,125 units of the Company at a price of $0.12 per unit. Each unit comprises one common share and one half of one common share purchase warrant. Each whole warrant entitles the holder to purchase a common share of the Company at a price of $0.15 per share until February 10, 2012. In connection with the financing the Company issued an additional 383,334 units as a finder's fee to two arms length parties.

(viii)On May 20, 2010 the Company issued 1,393,334 units of the Company at a price of $0.15 per unit. Each unit comprises one common share and one half of one common share purchase warrant. Each whole warrant entitles the holder to purchase a common share of the Company at a price of $0.225 per share until May 20, 2012.

(ix)On July 14, 2010 the Company issued 716,665 units of the Company at a price of $0.15 per unit. Each unit comprises one common share and one half of one common share purchase warrant. Each whole warrant entitles the holder to purchase a common share of the Company at a price of $0.225 per share until July 14, 2012. On this same date the Company also issued 964,160 units as a share for debt exchange as it relates to the due to shareholder balance. The units have the same terms as those noted above.

(x) A total of 8,764,150 shares and 948,747 share purchase warrants will be held in escrow, subject to an Escrow Agreement pursuant to policies of the Exchange. Under the terms of the Escrow Agreement, 10% of the escrowed shares will be released from escrow upon the issuance of the Final Exchange Bulletin (the "Initial Release") and an additional 15% will be released on each of the dates 6 months, 12 months, 18 months, 24 months, 30 months, and 36 months following the Initial Release. Shares held in escrow will be cancelled should the Company fail to complete its Qualifying Transaction or become de-listed.

12. Share Capital - continued

(c) Warrants

A summary of the Company's warrant activity is as follows:

	Warrants		Average Exercise Price	
	September 30, 2010	December 31, 2009	September 30, 2010	December 31, 2009
Outstanding, beginning of period	7,673,998	-	$ 0.11	$ -
Issued	5,373,539	7,673,998	0.19	0.11
Outstanding, end of period	13,047,537	7,673,998	$ 0.14	$ 0.11

A summary of the Company's warrants outstanding at September 30, 2010 is as follows:

Warrants	Exercise Price	Fair Value	Expiry Date
6,423,998	$ 0.10	$ 180,340	December 31, 2011
625,000	$ 0.15	23,250	December 31, 2011
625,000	$ 0.18	19,888	December 31, 2011
3,836,459	$ 0.15	122,767	February 10, 2012
696,667	$ 0.23	18,810	May 20, 2012
840,413	$ 0.23	17,648	July 14, 2012
13,047,537		$ 382,703	

The fair value of warrants issued during the nine months ended September 30, 2010 and the year ended December 31, 2009 have been estimated using the Black-Scholes model for pricing options. The following weighted average assumptions were used:

	2010	2009
Risk free interest rate	0.6%	0.6%
Dividend yield	NIL	NIL
Expected stock volatility	100%	100%
Expected life	2 years	2 years

13. Stock Options

On August 1, 2010, the Company granted to directors, officers and consultants of the Company 3,675,000 stock options to acquire common shares of the Company. The options vest immediately and are exercisable at a price of $0.20 per share for a period of five years from the date of issuance. The fair value of stock options was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions: dividend yield 0%; volatility 100%; risk-free interest rate 2.29%; and an expected life of 60 months. As a result, the fair value of the stock options was estimated as $386,338. And this amount was credited to Contributed Surplus. A total of 2,400,000 of these stock options will be held in escrow subject the same terms as described in note 12 (x)

14. Loss Per Share

The following table sets out the computation for basic and diluted loss per share:

	Nine months ended September 30, 2010		Year ended December 31, 2009	Year ended December 31, 2008
Numerator				
Net loss attributable to common shareholders	$ (779,895)	$	$ (408,446)	$ (278,308)
Denominator				
Weighted average number of common shares outstanding	19,093,325		11,503,035	7,000,000
Basic and diluted loss per share	$ (0.04)	$	$ (0.05)	$ (0.04)

15. Commitments

The Company is committed to future minimum payments in Euros under mineral property and consulting agreements as follows:

For the three months ending December 31, 2010	€ 43,500
For the year ending December 31, 2011	150,000
	€ 193,500

16. Segmented Reporting

The Company operates in one reportable operating segment, being mineral exploration. As at December 31, 2009 and 2008, the Company's resource properties are located in Spain and its corporate assets are located in Spain and Canada. The Company is in the exploration stage and, accordingly, has no reportable segment revenues during the years ended December 31, 2009 and 2008.

September 30, 2010	**Canada**	**Spain**	**Total**
Current assets	$ 10,000	$ 76,097	**$ 86,097**
Mineral properties	36,000	1,625,043	**1,661,043**
Equipment	-	7,672	**7,672**
	$ 46,000	$ 1,708,812	**$ 1,754,812**

December 31, 2009	**Canada**	**Spain**	**Total**
Current assets	$ 281,360	$ 113,313	**$ 394,673**
Mineral properties	-	698,761	**698,761**
Equipment	-	6,523	**6,253**
	$ 281,360	$ 818,597	**$ 1,099,957**

December 31, 2008	**Canada**	**Spain**	**Total**
Current assets	$ -	$ 88,475	**$ 88,475**
Mineral properties	-	243,954	**243,954**
Equipment	-	4,460	**4,460**
	$ -	$ 336,889	**$ 336,889**

17. Subsequent Events

(i) On November 3, 2010 the Company issued 5,361,667 units of the Company at a price of $0.15 per unit. Each unit comprises one common share and one half of one common share purchase warrant. Each whole warrant entitles the holder to purchase a common share of the Company at a price of $0.225 per share until November 3, 2012.

(ii) On November 3, 2010 the Company issued 7,333,330 common shares on conversion of convertible debt and accrued interest totalling $550,000 at $0.075 per share.

(iii) On November 3, 2010 the Company issued 1,200,000 units of the Company at a price of $0.225 per unit pursuant to a drilling services arrangement. Each unit comprises one common share and one half of one common share purchase warrant. Each whole warrant entitles the holder to purchase a common share of the Company at a price of $0.225 per share until November 3, 2012.

(iv) On December 15, 2010 the Company issued 16,666,667 units of the Company at a price of $0.15 per unit. Each unit comprises one common share and one half of one common share purchase warrant. Each whole warrant entitles the holder to purchase a common share of the Company at a price of $0.225 per share until December 15, 2012. The broker received a commission of $100,000 and also received 833,333 compensation options. Each compensation option is exercisable into a unit of the Company. Each unit consists of one common shares and a half warrant with terms as described above.

17. Subsequent Events - continued

(v) On February 6 2009, the Company entered into a non-binding letter of intent in respect of a proposed acquisition (the "Proposed Qualifying Transaction") with Eurotin Inc. (“Eurotin”). Eurotin is a public company trading on the Toronto Venture Stock Exchange (“TSXV”). The letter of intent was subsequently amended on September 18, 2009. On August 31, 2010 the Letter of Intent was extended by the parties to February 28, 2011.

If the Proposed Qualifying Transaction is completed, Eurotin would acquire all of the issued and outstanding common shares in the capital of the Company. Legally, Eurotin will become the parent of the Company. In accordance with EIC-10 “Reverse Takeover Accounting” CICA Handbook, as a result of the transaction described above, control of the combined companies passes to the former shareholders of the Company.

(vi) On December 11, 2010, effective January 1, 2011, the Company and QEM entered into an agreement whereby both parties agree to form and enter into a joint venture as it relates to the Santa Maria Property. In lieu of the US$200,000 payment noted in the original agreement (entered into in fiscal 2008), the Company issued 1,386,667 common shares at a price of $0.15 per share. Upon issuance of the common shares the Company has a 60% interest in the joint venture. In addition, on the effective date the Company shall pay QEM €145,000 as consideration for the purchase of the Retamar license documented by a promissory note with a maximum maturity date of three months from the effective date. Interest at the lowest rate normally included in this type of operations according to the Spanish commercial banks shall be added to the €145,000. Also, in exchange for all the information provided in connection with the Retamar investigation permit, QEM was paid €265,000 simultaneously with the signing of this agreement.

SCHEDULE F

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR STANNICO FOR THE YEAR ENDED DECEMBER 31, 2009

STANNICO RESOURCES INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

For the year ending December 31, 2009

Date:
This management discussion and analysis (**"MD&A"**) of the financial condition and results of operations of Stannico Resources Inc. (the **"Company"** or **"Stannico"**) for the fiscal year ending December 31, 2009 should be read in conjunction with the accompanying audited financial statements of the Company. The Company's financial statements are prepared in accordance with Canadian generally accepted accounting principles. All amounts presented are stated in Canadian dollars, unless otherwise indicated.

Company Overview:
The Company was incorporated on October 9, 2008 as 2187223 Ontario Inc. under the *Business Corporations Act* (Ontario) and the articles of amendment were subsequently filed on December 18, 2008 to change the name to Stannico Resources Inc. The Company acquired 100% of the issued common shares of Minas De Estano De Espana, S.L.U. ("MEE"), a private corporation incorporated on November 29, 2006 whose business is the exploration, research, exploitation and utilization of mining deposits, resources and substances, as well as the establishment of industries related to them, to obtain mining, industrial and chemical products and processed products in general. The acquisition was accomplished through an exchange of shares which resulted in the former shareholders of MEE obtaining control of the Company. Stannico was formed by the principal shareholders of MEE for the purposes of the MEE acquisition and to raise and facilitate funding in capital markets for the MEE exploration and development programs. In accordance with EIC 124 "Definition of a Business" of the CICA Handbook, the transaction is accounted for as a capital transaction, that is, a financing and recapitalization of MEE. The results of operations of Stannico are included in the financial statements from October 8, 2008, the date of completion of the transaction. For accounting purposes, the Company is considered to be a continuation of MEE except with regard to the authorized and issued share capital, which is that of the legal parent company, Stannico.

On February 6, 2009, the Company entered into a non-binding letter of intent in respect of a proposed acquisition (the "Proposed Qualifying Transaction") with a Eurotin Inc. ("Eurotin"). Eurotin is a public company trading on the Toronto Venture Stock Exchange ("TSXV"). The letter of intent was subsequently amended on September 18, 2009. On August 31, 2010 the Letter of Intent was extended by the parties to February 28, 2011.

If the Proposed Qualifying Transaction is completed, Eurotin would acquire all of the issued and outstanding common shares in the capital of the Company. Legally, Eurotin will become the parent of the Company. In accordance with EIC-10 "Reverse Takeover Accounting" CICA Handbook, as a result of the transaction described above, control of the combined companies passes to the former shareholders of the Company.
The authorized capital of the Company consists of an unlimited number of common shares without nominal or par value. Since the date of incorporation, Stannico completed private placements of units consistent to raise the working capital to begin its exploration work in Spain.

The business activities of Stannico are primarily focused on the acquisition, exploration and development of resource properties in Spain.

In February, November and December, 2009, the Company issued a total of 6,649,998 common shares under private placements for total cash consideration of $555,000. In September 2009, the Company issued 1,024,000 shares for mineral property services provided for a value of $76,000. In addition, during the year, the Company received proceeds of $281,360 related to private placements, which closed subsequent to year-end.

The property

On February 15, 2008, the Company acquired the right to earn a 50% direct interest in the Oropesa Investigation Permit No. 13.050 ("IP Oropesa") from Sondeos y Perforaciones Industriales del Biezro, SA ("SPI"). IP Oropesa is situated in Spain within the North East part of the Region of Andalucía and totals 23.4km^2.

The Company can earn a 50% direct interest by spending €1,500,000 on exploration over a three year period. A further 50% interest can be acquired by:

(a) granting SPI a 1.35% net smelter royalty, paying the vendor 0.90% of the value of metal in reserves at the time of feasibility;

(b) paying the vendor 0.90% of the value of the metal reserves at the time of feasibility; and

(c) in the event of commercial production the Company has committed to issue to SPI 4% of the equity of the entity developing and mining Oropesa.

Selected annual financial information

The following selected information is derived from the audited financial statements:

	Year Ended December 31,	
	2009	**From incorporation (October 9 to December 31, 2008)**
Revenue	Nil	Nil
Income from Operations	Nil	Nil
Net Loss	$(544,592)	$(278,308)
Total Assets	$1,099,957	$336,889
Accounts Payable and Accrued Liabilities	$224,202	$77,665
Due to Eurotin	$25,000	Nil
Convertible Debt	$470,802	$401,288
Cash	$309,831	$46,390
Mineral Properties and Deferred Development Expenditure	$698,761	$243,954

Financial Condition

Stannico's cash balance as at December 31, 2009 was $309,831 (December 31, 2008 - $46,390). The cash balance is a result of the total net proceeds from the private placement of shares of $555,000 (2008 - Nil) and proceeds of $281,360 related to private placements which closed subsequent to year-end, less cash used in operating activities of $216,484. Current assets of Stannico as at December 31, 2009 were $394,673 (December 31, 2008 - $88,475), representing cash balance, sundry receivables and prepaid expenses and tax credits. Total assets as at December 31, 2009 were $1,099,957 (December 31, 2008 - $336,889), which is comprised of current assets of $394,673, equipment of $6,523 and mining properties and deferred acquisition expenditures for $698,761. These assets were financed by the proceeds from the private placement of shares, the issuance of shares for the acquisition of mineral properties, and loans. Current liabilities as at December 31, 2009 were $403,451 (December 31, 2008 -

$77,665) and are comprised largely of expenditures incurred relating to deferred development costs, convertible debt and general and administrative costs incurred during fiscal 2009 for which Stannico had not yet paid.

Results of Operations

The net loss for fiscal year ending December 31, 2009 was $544,592 (2008 - $278,308), and is primarily attributable to professional fees and office and general expenses incurred during the year. The negative variance of $266,284 is primarily due to the significantly more professional fees incurred in 2009 in relation to the Proposed Qualifying Transaction with Eurotin.

Cash

Cash used in operating activities for the fiscal year ending December 31, 2009 was $216,484 and is primarily a result of professional fees of $261,079 and office and general expenses of $134,304 incurred in the fiscal year with no offsetting revenue, and net positive changes of $258,028 in non-cash working capital during the year.

Cash from financing activities was $861,360 for the year, which arose from the net proceeds from the private placement of shares, proceeds from common shares to be issued, and proceeds from Eurotin. Cash used in investing activities was $381,435 for the year, which is mostly attributable to mining properties and deferred exploration expenditures.

Financial Instruments

Stannico's financial instruments consist of cash accounts, sundry receivables, accounts payable and accrued liabilities, due to shareholder, due to Eurotin and convertible debt. Unless otherwise noted Stannico does not expect to be exposed to significant interest, currency or credit risks arising from these financial instruments. Stannico estimates that the fair value of these financial instruments approximates carrying value.

Contractual commitments

The Company is committed to future minimum payments under mineral property and consulting agreements as follows:

For the year ending December 31, 2010	$	174,000
For the year ending December 31, 2011		150,000

Liquidity and capital resources

The Company's working capital deficit as at December 31, 2009 was $8,778 (December 31, 2008 – working capital surplus of $10,810).

The Company funds its exploration activities through equity financing. In the year ended December 31, 2010, the Company raised $555,000 (December 31, 2008 - Nil) from private equity placements. During the year, the Company also received proceeds of $281,360 related to private placements, which closed subsequent to year-end.

At this time, the Company is not anticipating an ongoing profit from operations, therefore it will rely on its ability to obtain equity or debt financing for growth and to finance current and future exploration programs. The Company may need additional capital, and may raise additional funds should its management deem it advisable.

Critical accounting estimates

Mineral properties and deferred exploration expenditures

Mineral property acquisition costs and related direct exploration and development expenditures, net of recoveries, are deferred until the properties are placed into production. These net costs will be amortized against income using the unit of production method based on estimated recoverable reserves if the properties are brought into commercial production, or written off if the properties are abandoned or impaired if the carrying value is determined to be in excess of estimated recoverable amounts.

The cost of mineral properties includes any cash consideration paid, and the fair market value of shares and other consideration issued, if any, on the acquisition of property interests. Costs related to properties acquired under option agreements or joint ventures, whereby payments or other considerations are made at the sole discretion of the Company, are recorded in the accounts at such time as the payments are made. For properties held jointly with other parties the Company only records its proportionate share of acquisition and exploration costs. The proceeds from options or participation rights granted to third parties are deducted from the cost of the related property and any excess is deducted from other remaining capitalized property costs. The recorded amounts of property acquisition costs and their related deferred exploration costs represent actual expenditures incurred and may not reflect actual present or future values.

The Company enters into option agreements for mineral property interests by earn-in and expenditure arrangements. No initial cost or fair value amount is initially determined or allocated as acquisition cost unless such amounts can be reliably determined.

The recoverability of carrying amounts for mineral properties and deferred expenditures is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain financing to complete development of the properties, and on future profitable production or proceeds from the disposition thereof.

Mineral properties are reviewed for possible impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. When events or changes in circumstances indicate possible impairment, estimated future cash flows from a mine or development project are calculated using estimated future prices, mineral resources and operating and capital costs on an undiscounted basis. When estimated future undiscounted cash flows are less than the carrying amount, the asset is considered impaired. Reductions in carrying amount of assets or groups of assets are recorded to the extent the carrying value exceeds the fair value.

Stock-based compensation plan

The Company has in effect a Stock Option Plan. Stock options awarded are accounted for using the fair value-based method. Fair value is calculated using the Black Scholes model with the assumptions described in the notes to the financial statements. These assumptions are estimated by management based on available information and may be subject to change.

Future income tax assets

The Company accounts for income taxes using the asset and liability method of accounting. Under this method, future income tax assets and future income tax liabilities are recorded based on temporary differences between the financial reporting basis of the Company's assets and liabilities and their corresponding tax basis. The future benefits of income tax assets, including unused tax losses, are recognized subject to a valuation allowance, to the extent that it is more likely than not that such losses will be ultimately utilized. These future income tax assets and liabilities are measured using substantively enacted tax rates and laws that are expected to apply when the tax assets or liabilities are to be settled or realized.

Future changes in accounting policies

Business Combinations, Consolidated Financial Statements and Non-Controlling Interests

The CICA issued three new accounting standards in January 2009: Section 1582, Business Combinations, Section 1601, Consolidated Financial Statements and Section 1602, Non-Controlling Interests. These new standards will be effective for fiscal years beginning on or after January 1, 2011. The Corporation is in the process of evaluating the requirements of the new standards. Section 1582 replaces section 1581 and establishes standards for the accounting for a business combination. It provides the Canadian equivalent to International Financial Reporting Standard IFRS 3 - Business Combinations. The section applies prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after January 1, 2011. Sections 1601 and 1602 together replace section 1600, Consolidated Financial Statements. Section 1601, establishes standards for the preparation of consolidated financial statements. Section 1601 applies to interim and annual consolidated financial statements relating to fiscal years beginning on or after January 1, 2011. Section 1602 establishes standards for accounting for a non-controlling interest in a subsidiary in consolidated financial statements subsequent to a business combination. It is equivalent to the corresponding provisions of International Financial Reporting Standard IAS 27 – Consolidated and Separate Financial Statements and applies to interim and annual consolidated financing statements related to fiscal years beginning on or after January 1, 2011.

Financial Instruments – Recognition and Measurement

In June 2009, the CICA issued amendments to Section 3855, Financial Instruments – Recognition and Measurement, to clarify when an embedded prepayment option is separated from its host debt instrument for accounting purposes. Amendments apply to interim and annual financial statements relating to years beginning on/after January 1, 2011. Management does not expect that the adoption of this new standard will have significant impact on the Company's financial statements.

International Financial Reporting Standards [“IFRS”]

In February 2008, the Canadian Accounting Standards Board ("AcSB") confirmed that IFRS will replace Canadian GAAP in 2011 for Canadian publicly accountable companies. The Company intends to become a publicly accountable enterprise through a planned initial public offering of its shares (Note 16). Accordingly, upon completion of the planned transactions, the Company will be required to report its financial positions and results in accordance with IFRS beginning in 2011. The adoption of IFRS on January 1, 2011. This will also require the restatement for comparative purposes of amounts reported by the Company for the year ended December 31, 2010. The Company has begun assessing and reviewing the impact of IFRS adoption. Management plans for the initial adoption of IFRS include training, securing additional expertise, board level oversight and review of the options and impacts involved. Management believes that the Company will be adequately prepared for the conversion to IFRS by the implementation date.

Off balance sheet arrangements

The Company had no off-balance sheet arrangements as at December 31, 2009 and December 31, 2009.

Outstanding share data

Common shares

The Company has authorized an unlimited number of common shares, with no par value, of which 14,673,998 are issued and outstanding as of December 31, 2009.

Share Purchase Warrants

As at December 31, 2009, 7,673,998 share purchase warrants were outstanding.

Proposed Qualifying Transaction

On February 6, 2009, the Company entered into a non-binding letter of intent in respect of a proposed acquisition (the "Proposed Qualifying Transaction") with a Eurotin Inc. ("Eurotin"). Eurotin is a public company trading on the Toronto Venture Stock Exchange ("TSXV"). The letter of intent was subsequently amended on September 18, 2009. On August 31, 2010 the Letter of Intent was extended by the parties to February 28, 2011.

If the Proposed Qualifying Transaction is completed, Eurotin would acquire all of the issued and outstanding common shares in the capital of the Company. Legally, Eurotin will become the parent of the Company. In accordance with EIC-10 "Reverse Takeover Accounting" CICA Handbook, as a result of the transaction described above, control of the combined companies passes to the former shareholders of the Company.

Subsequent events

(i) On February 10, 2010 the Company issued 3,836,459 units of the Company at a price of $0.13 per unit. Each unit comprises one common share and one half of one common share purchase warrant. Each whole warrant entitles the holder to purchase a common share of the Company at a price of $0.15 per share until February 10, 2012.

(ii) On May 20, 2010 the Company issued 1,393,334 units of the Company at a price of $0.15 per unit. Each unit comprises one common share and one half of one common share purchase warrant. Each whole warrant entitles the holder to purchase a common share of the Company at a price of $0.225 per share until May 20, 2012.

(ii) On July 14, 2010 the Company issued 1,680,825 units of the Company at a price of $0.15 per unit. Each unit comprises one common share and one half of one common share purchase warrant. Each whole warrant entitles the holder to purchase a common share of the Company at a price of $0.225 per share until July 14, 2012.

(iii) On November 3, 2010 the Company issued 5,361,667 units of the Company at a price of $0.15 per unit. Each unit comprises one common share and one half of one common share purchase warrant. Each whole warrant entitles the holder to purchase a common share of the Company at a price of $0.225 per share until November 3, 2012.

(iv) On November 3, 2010 the Company issued 7,333,330 common shares on conversion of convertible debt of $0.075 per share.

(v) On November 3, 2010 the Company issued 1,200,000 units the Company at a price of $ 0.225 per unit pursuant to a drilling services arrangement. Each unit comprises one common share and one half of one common share purchase warrant. Each whole warrant entitles the holder to purchase a common share of the Company at a price of $0.225 per share until November 3, 2012.

(vi) On December 11, 2010 the Company and QEM entered into an agreement whereby both parties agree to form and enter into a joint venture as it relates to the Santa Maria Property. In lieu of the US$200,000 payment noted in the original agreement (entered into in fiscal 2008); the Company will issue 1,040,000 common shares at a deemed price of $0.20 per share. The issuance of shares will take place upon completion of the Proposed Qualifying Transaction. Upon issuance of the common shares the Company will have a 60% interest in the joint venture.

(vii) On December 15, 2010 the Company issued 16,666,667 units of the Company at a price of $0.15 per unit. Each unit comprises one common share and one half of one common share purchase warrant. Each whole warrant entitles the holder to purchase a common share of the Company at a price of $0.225 per share until December 15, 2012. The broker received a commission of $100,000 and also received 833,333 compensation options. Each compensation option is exercisable into a unit of the Company. Each unit consists of one common shares and a half warrant with terms as described above.

Risks and uncertainties

The Company's business of exploring for mineral resources involves a variety of operational, financial and regulatory risks that are typical in the natural resource industry. The Company attempts to mitigate these risks and minimize their effect on its financial performance, but there is no guarantee that the Company will be profitable in the future, and the Company's common shares should be considered speculative in nature.

The business of exploration for minerals and mining involves a high degree of risk. A relatively small proportion of properties that are explored are ultimately developed into producing mines. Unusual or unexpected formations, formation pressures, fires, power outages, labour disruptions, flooding, cave-ins, landslides and the inability to obtain suitable or adequate machinery, equipment or labour are other risks involved in the conduct of exploration programs. The Company has limited experience in the development and operation of mines and has relied on and may continue to rely upon consultants and others for exploration and operating expertise. The economics of developing gold and other mineral properties is affected by many factors including the cost of operations, variation of the grade of ore mined, and fluctuations in the price of any minerals produced.

The success of the Company is dependent, among other things, on obtaining sufficient funding to enable the Company to explore and develop its properties. There can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could result in delay or indefinite postponement of further exploration and development of its projects with the possible loss of such properties. The Company will require new capital to continue to operate its business and to continue with exploration on its mineral properties, and there is no assurance that capital will be available when needed, if at all. It is likely such additional capital will be raised through the issuance of additional equity, which will result in dilution to the Company's shareholders.

The operations of the Company may require licenses and permits from various local, provincial and federal governmental authorities. There can be no assurance that the Company will be able to obtain all necessary licenses and permits that may be required to carry out exploration, development, or mining operations, at its projects.

Even if the Company's exploration programs are successful, factors beyond the control of the Company may affect the marketability of any mineral products discovered. The prices of mineral products have historically fluctuated widely and are affected by numerous factors beyond the Company's control, including international, economic and political trends, expectations for inflation, currency exchange fluctuations, interest rates, global or regional consumption patterns, speculative activities and worldwide production levels. The effect of these factors cannot accurately be predicted. The mining industry is intensely competitive. The Company competes with many companies possessing greater financial resources and technical facilities than itself for the acquisition of mineral interests as well as for the recruitment and retention of qualified employees, contractors and consultants.

The Company's operations are subject to environmental regulations promulgated by local, provincial and federal government agencies from time to time. Environmental legislation provides for restrictions and prohibitions of spills, releases or emissions of various substances produced in association with certain mining industry operations, such as seepage from tailing disposal areas, which could result in environmental pollution. A breach of such legislation may result in the imposition of fines and penalties. In addition, certain types of operations require submissions to and approval of environmental impact assessments. Environmental legislation is evolving in a manner, which means stricter standards and enforcement, and fines and penalties for non-compliance are more stringent. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and directors, officers and employees. The cost of compliance with changes in governmental regulations has a potential to reduce the profitability of operations. The Company intends to fully comply with all environmental regulations.

Certain directors or proposed directors of the Company are also directors, officers or shareholders of other companies that are similarly engaged in the business of acquiring, developing and exploiting natural resource properties. Such associations may give rise to conflicts of interest from time to time. The directors of the Company are required by law to act honestly and in good faith with a view to the best interests of the Company and to disclose any interest, which they may have in any project opportunity of the Company. If a conflict of interest arises at a meeting of the board of directors, any director in a conflict will disclose his interest and abstain from voting on such matter. In determining whether or not the Company will participate in any project or opportunity, the directors will primarily consider the degree of risk to which the Company may be exposed and its financial position at that time.

Potential Dilution

The issue of common shares of the Company upon the exercise of the options and warrants will dilute the ownership interest of the Company's current shareholders. The Company may also issue additional option and warrants or additional common shares from time to time in the future. If it does so, the ownership interest of the Company's then current shareholders could also be diluted.

SCHEDULE G

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR STANNICO FOR THE INTERIM PERIOD ENDED SEPTEMBER 30, 2010

STANNICO RESOURCES INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

For the Nine Months Period Ended September 30, 2010

Date:
This management discussion and analysis (**"MD&A"**) of the interim financial condition and results of operations of Stannico Resources Inc. (the **"Company"** or **"Stannico"**) for the nine month period ended September 30 2010, and should be read in conjunction with the Company's unaudited financial statements and related notes contained in this report. The Company's financial statements are prepared in accordance with Canadian generally accepted accounting principles. All amounts presented are stated in Canadian dollars, unless otherwise indicated.

Company Overview:
The Company was incorporated on October 9, 2008 as 2187223 Ontario Inc. under the *Business Corporations Act* (Ontario) and the articles of amendment were subsequently filed on December 18, 2008 to change the name to Stannico Resources Inc. The Company acquired 100% of the issued common shares of Minas De Estano De Espana, S.L.U. ("MEE"), a private corporation incorporated on November 29, 2006 whose business is the exploration, research, exploitation and utilization of mining deposits, resources and substances, as well as the establishment of industries related to them, to obtain mining, industrial and chemical products and processed products in general. The acquisition was accomplished through an exchange of shares which resulted in the former shareholders of MEE obtaining control of the Company. Stannico was formed by the principal shareholders of MEE for the purposes of the MEE acquisition and to raise and facilitate funding in capital markets for the MEE exploration and development programs. In accordance with EIC 124 "Definition of a Business" of the CICA Handbook, the transaction is accounted for as a capital transaction, that is, a financing and recapitalization of MEE. The results of operations of Stannico are included in the financial statements from October 8, 2008, the date of completion of the transaction. For accounting purposes, the Company is considered to be a continuation of MEE except with regard to the authorized and issued share capital, which is that of the legal parent company, Stannico.

On February 6, 2009, the Company entered into a non-binding letter of intent in respect of a proposed acquisition (the "Proposed Qualifying Transaction") with a Eurotin Inc. ("Eurotin"). Eurotin is a public company trading on the Toronto Venture Stock Exchange ("TSXV"). The letter of intent was subsequently amended on September 18, 2009. On August 31, 2010 the Letter of Intent was extended by the parties to February 28, 2011.

If the Proposed Qualifying Transaction is completed, Eurotin would acquire all of the issued and outstanding common shares in the capital of the Company. Legally, Eurotin will become the parent of the Company. In accordance with EIC-10 "Reverse Takeover Accounting" CICA Handbook, as a result of the transaction described above, control of the combined companies passes to the former shareholders of the Company.

The authorized capital of the Company consists of an unlimited number of common shares without nominal or par value. Since the date of incorporation, Stannico completed private placements of units consistent to raise the working capital to begin its exploration work in Spain.
The business activities of Stannico are primarily focused on the acquisition, exploration and development of resource properties in Spain.

In February, November and December, 2009, the Company issued a total of 6,649,998 common shares under private placements for total cash consideration of $555,000. In September 2009, the Company issued 1,024,000 shares for mineral property services provided for a value of $76,000.
In addition, in February, May and July, 2010, the Company issued a total of 5,563,124 common shares under private placements for cash consideration of $730,875. The Company incurred issuance costs of $58,513. In connection with the February 2010 financing, the Company issued 383,334 common shares as a finder's fee to two arms length parties. In addition, in July 2010, the Company issued 964,160 common shares as a share for debt exchange as it relates to the due to shareholder balance in the value of $144,624.

The property

On February 15, 2008, the Company acquired the right to earn a 50% direct interest in the Oropesa Investigation Permit No. 13.050 ("IP Oropesa") from Sondeos y Perforaciones Industriales del Biezro, SA ("SPI"). IP Oropesa is situated in Spain within the North East part of the Region of Andalucía and totals 23.4km^2.

The Company can earn a 50% direct interest by spending €1,500,000 on exploration over a three year period. A further 50% interest can be acquired by:

(a) granting SPI a 1.35% net smelter royalty, paying the vendor 0.90% of the value of metal in reserves at the time of feasibility;

(b) paying the vendor 0.90% of the value of the metal reserves at the time of feasibility; and

(c) in the event of commercial production the Company has committed to issue to SPI 4% of the equity of the entity developing and mining Oropesa.

Selected financial information

The following table sets forth selected financial information of Stannico for the year ended December 31, 2009 (audited) and the interim period from January 1, 2010 to September 30, 2010 (unaudited).

	January 1, 2010 to September 30, 2010 (unaudited)	January 1, 2009 to September 30, 2009 (unaudited)	January 1, 2009 to December 31, 2009 (audited)
Revenue	Nil	Nil	Nil
Income from Operations	Nil	Nil	Nil
Net Loss	$(779,895)	$(408,446)	$(544,492)
Total Assets	$1,754,812		$1,099,957
Accounts Payable and Accrued Liabilities	$575,006		$224,202
Due to Eurotin	$180,000		$25,000
Convertible Debt	$519,932		$470,802
Cash	$30,265		$309,831
Mineral Properties and Deferred Development Expenditure	$1,661,043		$698,761

Financial Condition

Stannico's cash balance as at September 30, 2010 was $30,265 (December 31, 2009 - $309,831). The cash balance is a result of the total net proceeds from the private placement of shares of $1,285,875 (2009- $555,000 and 2010 - $730,875) less cash used in operating activities of $963,431, $962,282 are for deferred development costs on the Oropesa Property. Current assets of Stannico as at September 30, 2010 were $86,097 (December 31, 2009 - $394,673), representing cash balance, sundry receivables and prepaid expenses and tax credits. Total assets as at September 30, 2010 were $1,754,812 (December 31, 2009 - $1,099,957), which is comprised of current assets of $86,097, equipment of $7,672 and mining properties and deferred acquisition expenditures for $1,661,043. These assets were financed by the proceeds from the private placement of shares, the issuance of shares for the acquisition of mineral properties, and loans. Current liabilities as at September 30, 2010 were $821,107 (December 31, 2009 - $403,451) and are comprised largely of expenditures incurred relating to deferred development costs, convertible debt and general and administrative costs incurred during the first quarter 2010 for which Stannico had not yet paid.

Results of Operations

The net loss for the nine months ended September 30, 2010 was $779,895 (December 31, 2009 - $408,446), and is primarily attributable to stock based compensation, general and administrative expenses and professional fees incurred during the period. The negative variance of $371,449 is primarily due to the current year stock based compensation expense of $386,338, related to current year stock option grants.

The nine months ended September 30, 2010 has seen an increase in occupancy costs due and a reduction in professional fees expenses. Significantly more professional expenses were incurred in 2009 in relation to the Proposed Qualifying Transaction with Eurotin.

Cash

Cash used in operating activities for the nine month period ended September 30, 2010 was $345,699 and is primarily a result of office and general expenses of $98,771, professional fees of $151,442 incurred in the quarter with no offsetting revenue, and net negative changes of $64,345 in non-cash working capital during the period.

Cash from financing activities was $796,208 for the nine month period ended September 30, 2010, which arose from the net proceeds from the private placement of shares and proceeds from Eurotin. Cash used in investing activities was $963,431, which is mostly attributable to mining properties and deferred exploration expenditures.

Financial Instruments

Stannico's financial instruments consist of cash accounts, sundry receivables, accounts payable and accrued liabilities, due to shareholder, due to Eurotin and convertible debt. Unless otherwise noted Stannico does not expect to be exposed to significant interest, currency or credit risks arising from these financial instruments. Stannico estimates that the fair value of these financial instruments approximates carrying value.

Contractual commitments

The Company is committed to future minimum payments under mineral property and consulting agreements as follows:

For the three months ending December 31, 2010	$	43,500
For the year ending December 31, 2011		150,000

Liquidity and capital resources

The Company's working capital deficit as at September 30, 2010 was $735,010 (December 31, 2009 - $8,778).

The Company funds its exploration activities through equity financing. In the nine months ended September 30, 2010, the Company raised $730,875 (for the year ended December 31, 2009 - $555,000) from private equity placements.

At this time, the Company is not anticipating an ongoing profit from operations, therefore it will rely on its ability to obtain equity or debt financing for growth and to finance current and future exploration programs. The Company may need additional capital, and may raise additional funds should its management deem it advisable.

Critical accounting estimates

Mineral properties and deferred exploration expenditures

Mineral property acquisition costs and related direct exploration and development expenditures, net of recoveries, are deferred until the properties are placed into production. These net costs will be amortized against income using the unit of production method based on estimated recoverable reserves if the properties are brought into commercial production, or written off if the properties are abandoned or impaired if the carrying value is determined to be in excess of estimated recoverable amounts.

The cost of mineral properties includes any cash consideration paid, and the fair market value of shares and other consideration issued, if any, on the acquisition of property interests. Costs related to properties acquired under option agreements or joint ventures, whereby payments or other considerations are made at the sole discretion of the Company, are recorded in the accounts at such time as the payments are made. For properties held jointly with other parties the Company only records its proportionate share of acquisition and exploration costs. The proceeds from options or participation rights granted to third parties are deducted from the cost of the related property and any excess is deducted from other remaining capitalized property costs. The recorded amounts of property acquisition costs and their related deferred exploration costs represent actual expenditures incurred and may not reflect actual present or future values.

The Company enters into option agreements for mineral property interests by earn-in and expenditure arrangements. No initial cost or fair value amount is initially determined or allocated as acquisition cost unless such amounts can be reliably determined.

The recoverability of carrying amounts for mineral properties and deferred expenditures is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain financing to complete development of the properties, and on future profitable production or proceeds from the disposition thereof.

Mineral properties are reviewed for possible impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. When events or changes in circumstances indicate possible impairment, estimated future cash flows from a mine or development project are calculated using estimated future prices, mineral resources and operating and capital costs on an undiscounted basis. When estimated future undiscounted cash flows are less than the carrying amount, the asset is considered impaired. Reductions in carrying amount of assets or groups of assets are recorded to the extent the carrying value exceeds the fair value.

Stock-based compensation plan

The Company has in effect a Stock Option Plan. Stock options awarded are accounted for using the fair value-based method. Fair value is calculated using the Black Scholes model with the assumptions described in the notes to the financial statements. These assumptions are estimated by management based on available information and may be subject to change.

Future income tax assets

The Company accounts for income taxes using the asset and liability method of accounting. Under this method, future income tax assets and future income tax liabilities are recorded based on temporary differences between the financial reporting basis of the Company's assets and liabilities and their corresponding tax basis. The future benefits of income tax assets, including unused tax losses, are recognized subject to a valuation allowance, to the extent that it is more likely than not that such losses will be ultimately utilized. These future income tax assets and liabilities are measured using substantively enacted tax rates and laws that are expected to apply when the tax assets or liabilities are to be settled or realized.

Future changes in accounting policies

Business Combinations, Consolidated Financial Statements and Non-Controlling Interests

The CICA issued three new accounting standards in January 2009: Section 1582, Business Combinations, Section 1601, Consolidated Financial Statements and Section 1602, Non- Controlling Interests. These new standards will be effective for fiscal years beginning on or after January 1, 2011. The Corporation is in the process of evaluating the requirements of the new standards. Section 1582 replaces section 1581 and establishes standards for the accounting for a business combination. It provides the Canadian equivalent to International Financial Reporting Standard IFRS 3 - Business Combinations. The section applies prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after January 1, 2011. Sections 1601 and 1602 together replace section 1600, Consolidated Financial Statements. Section 1601, establishes standards for the preparation of consolidated financial statements. Section 1601 applies to interim and annual consolidated financial statements relating to fiscal years beginning on or after January 1, 2011. Section 1602 establishes standards for accounting for a non-controlling interest in a subsidiary in consolidated financial statements subsequent to a business combination. It is equivalent to the corresponding provisions of International Financial Reporting Standard IAS 27 – Consolidated and Separate Financial Statements and applies to interim and annual consolidated financing statements related to fiscal years beginning on or after January 1, 2011.

Financial Instruments – Recognition and Measurement

In June 2009, the CICA issued amendments to Section 3855, Financial Instruments – Recognition and Measurement, to clarify when an embedded prepayment option is separated from its host debt instrument for accounting purposes. Amendments apply to interim and annual financial statements relating to years beginning on/after January 1, 2011. Management does not expect that the adoption of this new standard will have significant impact on the Company's financial statements.

International Financial Reporting Standards ["IFRS"]

In February 2008, the Canadian Accounting Standards Board ("AcSB") confirmed that IFRS will replace Canadian GAAP in 2011 for Canadian publicly accountable companies. The Company intends to become a publicly accountable enterprise through a planned initial public offering of its shares (Note 16). Accordingly, upon completion of the planned transactions, the Company will be required to report its financial positions and results in accordance with IFRS beginning in 2011. The adoption of IFRS on January 1, 2011. This will also require the restatement for comparative purposes of amounts reported by the Company for the year ended December 31, 2010. The Company has begun assessing and reviewing the impact of IFRS adoption. Management plans for the initial adoption of IFRS include training, securing additional expertise, board level oversight and review of the options and impacts involved. Management believes that the Company will be adequately prepared for the conversion to IFRS by the implementation date.

Off balance sheet arrangements

The Company had no off-balance sheet arrangements as at September 30, 2010 and December 31, 2009.

Outstanding share data

Common shares
The Company has authorized an unlimited number of common shares, with no par value, of which 21,584,616 are issued and outstanding as of September 30, 2010.
Share Purchase Warrants
As at September 30, 2010, 13,047,537 share purchase warrants were outstanding.
Employee Stock options
As at September 30, 2010, 3,675,000 options were outstanding under the Company's stock option plan for directors, officers and consultants of the Company.

Proposed Qualifying Transaction

On February 6, 2009, the Company entered into a non-binding letter of intent in respect of a proposed acquisition (the "Proposed Qualifying Transaction") with a Eurotin Inc. ("Eurotin"). Eurotin is a public company trading on the Toronto Venture Stock Exchange ("TSXV"). The letter of intent was subsequently amended on September 18, 2009. On August 31, 2010 the Letter of Intent was extended by the parties to February 28, 2011.

If the Proposed Qualifying Transaction is completed, Eurotin would acquire all of the issued and outstanding common shares in the capital of the Company. Legally, Eurotin will become the parent of the Company. In accordance with EIC-10 "Reverse Takeover Accounting" CICA Handbook, as a result of the transaction described above, control of the combined companies passes to the former shareholders of the Company.

Subsequent events

(i) On November 3, 2010 the Company issued 5,361,667 units of the Company at a price of $0.15 per unit. Each unit comprises one common share and one half of one common share purchase warrant. Each whole warrant entitles the holder to purchase a common share of the Company at a price of $0.225 per share until November 3, 2012.

(ii) On November 3, 2010 the Company issued 7,333,330 common shares on conversion of convertible debt of $0.075 per share.

(iii) On November 3, 2010 the Company issued 1,200,000 units the Company at a price of $ 0.225 per unit pursuant to a drilling services arrangement. Each unit comprises one common share and one half of one common share purchase warrant. Each whole warrant entitles the holder to purchase a common share of the Company at a price of $0.225 per share until November 3, 2012.

(iv) On December 11, 2010 the Company and QEM entered into an agreement whereby both parties agree to form and enter into a joint venture as it relates to the Santa Maria Property. In lieu of the US$200,000 payment noted in the original agreement (entered into in fiscal 2008); the Company will issue 1,040,000 common shares at a deemed price of $0.20 per share. The issuance of shares will take place upon completion of the Proposed Qualifying Transaction. Upon issuance of the common shares the Company will have a 60% interest in the joint venture.

(v) On December 15, 2010 the Company issued 16,666,667 units of the Company at a price of $0.15 per unit. Each unit comprises one common share and one half of one common share purchase warrant. Each whole warrant entitles the holder to purchase a common share of the Company at a price of $0.225 per share until December 15, 2012. The broker received a commission of $100,000 and also received 833,333 compensation options. Each compensation option is exercisable into a unit of the Company. Each unit consists of one common shares and a half warrant with terms as described above.

Risks and uncertainties

The Company's business of exploring for mineral resources involves a variety of operational, financial and regulatory risks that are typical in the natural resource industry. The Company attempts to mitigate these risks and minimize their effect on its financial performance, but there is no guarantee that the Company will be profitable in the future, and the Company's common shares should be considered speculative in nature.

The business of exploration for minerals and mining involves a high degree of risk. A relatively small proportion of properties that are explored are ultimately developed into producing mines. Unusual or unexpected formations, formation pressures, fires, power outages, labour disruptions, flooding, cave-ins, landslides and the inability to obtain suitable or adequate machinery, equipment or labour are other risks involved in the conduct of exploration programs. The Company has limited experience in the development and operation of mines and has relied on and may continue to rely upon consultants and others for exploration and operating expertise. The economics of developing gold and other mineral properties is affected by many factors including the cost of operations, variation of the grade of ore mined, and fluctuations in the price of any minerals produced.

The success of the Company is dependent, among other things, on obtaining sufficient funding to enable the Company to explore and develop its properties. There can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could result in delay or indefinite postponement of further exploration and development of its projects with the possible loss of such properties. The Company will require new capital to continue to operate its business and to continue with exploration on its mineral properties, and there is no assurance that capital will be available when needed, if at all. It is likely such additional capital will be raised through the issuance of additional equity, which will result in dilution to the Company's shareholders.

The operations of the Company may require licenses and permits from various local, provincial and federal governmental authorities. There can be no assurance that the Company will be able to obtain all necessary licenses and permits that may be required to carry out exploration, development, or mining operations, at its projects.

Even if the Company's exploration programs are successful, factors beyond the control of the Company may affect the marketability of any mineral products discovered. The prices of mineral products have historically fluctuated widely and are affected by numerous factors beyond the Company's control, including international, economic and political trends, expectations for inflation, currency exchange fluctuations, interest rates, global or regional consumption patterns, speculative activities and worldwide production levels. The effect of these factors cannot accurately be predicted. The mining industry is intensely competitive. The Company competes with many companies possessing greater financial resources and technical facilities than itself for the acquisition of mineral interests as well as for the recruitment and retention of qualified employees, contractors and consultants.

The Company's operations are subject to environmental regulations promulgated by local, provincial and federal government agencies from time to time. Environmental legislation provides for restrictions and prohibitions of spills, releases or emissions of various substances produced in association with certain mining industry operations, such as seepage from tailing disposal areas, which could result in environmental pollution. A breach of such legislation may result in the imposition of fines and penalties. In addition, certain types of operations require submissions to and approval of environmental impact assessments. Environmental legislation is evolving in a manner, which means stricter standards and enforcement, and fines and penalties for non-compliance are more stringent. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and directors, officers and employees. The cost of compliance with changes in governmental regulations has a potential to reduce the profitability of operations. The Company intends to fully comply with all environmental regulations.

Certain directors or proposed directors of the Company are also directors, officers or shareholders of other companies that are similarly engaged in the business of acquiring, developing and exploiting natural resource properties. Such associations may give rise to conflicts of interest from time to time. The directors of the Company are required by law to act honestly and in good faith with a view to the best interests of the Company and to disclose any interest, which they may have in any project opportunity of the Company. If a conflict of interest arises at a meeting of the board of directors, any director in a conflict will disclose his interest and abstain from voting on such matter. In determining whether or not the Company will participate in any project or opportunity, the directors will primarily consider the degree of risk to which the Company may be exposed and its financial position at that time.

Potential Dilution

The issue of common shares of the Company upon the exercise of the options and warrants will dilute the ownership interest of the Company's current shareholders. The Company may also issue additional option and warrants or additional common shares from time to time in the future. If it does so, the ownership interest of the Company's then current shareholders could also be diluted.

SCHEDULE H

PRO FORMA FINANCIAL STATEMENTS FOR THE RESULTING ISSUER AS AT SEPTEMBER 30, 2010

)

Eurotin Inc.

Pro Forma Consolidated Balance Sheet

As at September 30, 2010

(Unaudited)

)

Eurotin Inc.

INDEX

September 30, 2010

Eurotin Inc.

(A Development Stage Entity)

UNAUDITED PRO FORMA CONSOLIDATED BALANCE SHEET

SEPTEMBER 30, 2010

(expressed in Canadian dollars)

	Eurotin Inc.	Stannico Resources Inc.	Notes	Pro Forma Adjustments	Pro Forma Consolidated Eurotin
ASSETS					
Current					
Cash	$ 29,710	$ 30,265	2(b)	$ 804,250	
			2(f)	2,500,000	
			2(f)	(100,000)	
			2(g)	1,250,000	
			2(h)	(175,000)	$ 4,339,225
Sundry receivables and prepaid expenses	11,417	12,475		-	23,892
Loan receivable	180,000	-	2(i)	(180,000)	-
Tax credits	-	43,357		-	43,357
	221,127	86,097		4,099,250	4,406,474
Equipment	-	7,672		-	7,672
Mineral properties and deferred exploration expenditures	-	1,661,043	2(d)	270,000	
			2(e)	208,000	2,139,043
	$ 221,127	$ 1,754,812		$ 4,369,250	$ 6,553,189
LIABILITIES					
Current					
Accounts payable and accrued liabilities	$ 13,175	$ 575,006		$ -	$ 588,181
Due to shareholder	-	66,101		-	66,101
Due to Eurotin Inc.	-	180,000	2(i)	(180,000)	-
	13,175	821,107		(180,000)	654,282
Convertible debt	-	519,932	2(c)	(519,932)	-
	13,175	1,341,039		(699,932)	654,282
SHAREHOLDERS' EQUITY					
Share capital (note 3)	686,750	1,115,681	2(a)	(686,750)	
			2(a)	207,952	
			2(b)	804,250	
			2(b)	(125,036)	
			2(c)	519,932	
			2(c)	131,846	
			2(d)	270,000	
			2(d)	(51,860)	
			2(e)	208,000	
			2(f)	2,500,000	
			2(f)	(100,000)	
			2(f)	(388,442)	
			2(f)	(45,990)	
			2(g)	1,250,000	
			2(h)	(29,710)	6,266,623
Contributed surplus	15,000	386,338	2(a)	(15,000)	
			2(f)	45,990	432,328
Share issue costs	(200,260)	-	2(a)	200,260	-
Equity portion of convertible debt	-	131,846	2(c)	(131,846)	-
Warrants		382,703	2(b)	125,036	
			2(d)	51,860	
			2(f)	388,442	948,041
Deficit	(293,538)	(1,602,795)	2(a)	293,538	
			2(h)	(145,290)	(1,748,085)
	207,952	413,773		5,422,472	5,898,907
	$ 221,127	$ 1,754,812		$ 4,722,540	$ 6,553,189

See accompanying notes to unaudited pro forma consolidated balance sheet.

1. BASIS OF PRESENTATION

This unaudited pro forma consolidated balance sheet has been prepared in accordance with Canadian Generally Accepted Accounting Principles ("GAAP") for inclusion in the Filing Statement of Eurotin Inc. ("Eurotin" or the "Company") and Stannico Resources Inc. ("Stannico").

On February 6, 2009, Eurotin and Stannico entered into a non-binding letter of intent ("LOI"). Pursuant to the terms of the LOI, the Company intends to issue three Eurotin securities for every four securities of Stannico outstanding (the "Transaction").

The combined effects of the Transaction have been presented in this unaudited pro forma consolidated balance sheet. The unaudited pro forma consolidated balance sheet has been prepared on the basis that each shareholder of Stannico will receive shares of common stock of Eurotin in exchange for their Stannico common shares.

The unaudited pro forma consolidated balance sheet should be read in conjunction with the September 30, 2010 unaudited interim financial statements of the Company and the September 30, 2010 unaudited interim consolidated financial statements of Stannico.

The unaudited pro forma consolidated balance sheet of the Company has been compiled from and includes:

a) the unaudited balance sheet of the Company as at September 30, 2010;

b) the unaudited consolidated balance sheet of Stannico as at September 30, 2010; and

c) the additional information set out in *Note 2*.

It is management's opinion that the unaudited pro forma consolidated balance sheet presents in all material respects, the transactions described in Note 2, in accordance with Canadian GAAP. The accounting policies used in the preparation of the unaudited pro forma consolidated balance sheet are consistent with Eurotin's accounting policies used in their audited financial statements as at and for the year ended December 31, 2009.

The unaudited pro forma consolidated balance sheet is not intended to reflect the financial position of the Company which would have actually resulted had the proposed transactions been effected on the date indicated. Actual amounts recorded upon consummation of the agreement will differ from those recorded in the unaudited pro forma consolidated balance sheet.

2. PRO FORMA ASSUMPTIONS AND ADJUSTMENTS

The unaudited pro forma consolidated balance sheet is prepared as if the transactions described below occurred on September 30, 2010.

The Transaction is subject to the satisfaction of all closing conditions and receipt of regulatory and shareholder approvals.

(a) Legally, the Company will become the parent of Stannico. In accordance with EIC-10 "Reverse Takeover Accounting" of the Canadian Institute of Chartered Accountants ("CICA") Handbook, as a result of the transaction described above, control of the combined companies passed to the former shareholders of Stannico. This type of share exchange, referred to as a "reverse takeover", deems Stannico to be the acquirer for accounting purposes. Since the Company does not constitute a business in accordance with EIC-124 "Definition of a Business" of the CICA Handbook, the transaction will be accounted for as a capital transaction, that is, the financing and recapitalization of Stannico.

In accordance with reverse take-over accounting:

(i) The assets and liabilities of Stannico are included in the pro forma consolidated balance sheet at their September 30, 2010 historic values;

(ii) The net assets of the Company are included at $207,952 being their carrying value at September 30, 2010;

(iii) Share capital, contributed surplus, share issue costs and the deficit of the Company are eliminated.

The total purchase price of $207,952 has been allocated as follows:

Cash	$29,710
Sundry receivables	11,417
Loan receivable	180,000
Accounts payable and accrued liabilities	(13,175)
Value attributed to new Eurotin shares issued	$207,952

2. PRO FORMA ASSUMPTIONS AND ADJUSTMENTS - continued

(b) On November 3, 2010 Stannico issued 5,361,667 units at a price of $0.15 per unit. Each unit comprises one common share and one half of one common share purchase warrant. Each whole warrant entitles the holder to purchase a common share at a price of $0.225 per share until November 3, 2012. The warrants have been valued at $125,036 using the Black-Scholes option pricing model with the following assumptions:

Risk- free interest rate	1.74%
Dividend yield	Nil
Volatility factor	88%
Expected life	2 years

(c) On November 3, 2010, Stannico issued 7,333,330 common shares on conversion of convertible debt at $0.075 per share.

(d) On November 3, 2010, Stannico issued 1,200,000 units at a price of $0.225 per unit pursuant to a drilling services arrangement. Each unit comprises one common share and one half of one common share purchase warrant. Each whole warrant entitles the holder to purchase a common share at a price of $0.225 per share until November 3, 2012. The warrants have been valued at $51,860 using the Black-Scholes option pricing model with the following assumptions:

Risk- free interest rate	1.74%
Dividend yield	Nil
Volatility factor	88%
Expected life	2 years

(e) On December 11, 2010, Stannico entered into an agreement with Quercus Exploration Mining S.A. (QEM) whereby both parties agree to form and enter into a joint venture for the Santa Maria Property. In lieu of the US$200,000 payment to QEM noted in the original agreement (entered into in fiscal 2008); Stannico will issue 1,386,667 common shares at a deemed price of $0.15 per share.

(f) On December 15, 2010, Stannico issued 16,666,667 units at a price of $0.15 per unit. Each unit comprises one common share and one half of one common share purchase warrant. Each whole warrant entitles the holder to purchase a common share at a price of $0.225 per share until December 15, 2012. The broker received a commission of $100,000 and also received 833,333 compensation options. Each compensation option is exercisable into a unit of Stannico. Each unit consists of one common share and one half of a common share with terms as described above. The warrants and broker compensation options have been valued at $388,442 and $45,990 respectively using the Black-Scholes option price model with the following assumptions:

Risk- free interest rate	1.69%
Dividend yield	Nil
Volatility factor	88%
Expected life	2 years

2. PRO FORMA ASSUMPTIONS AND ADJUSTMENTS - continued

(g) Concurrently with the transaction approximately 10,349,666 Stannico warrants will be exercised for gross proceeds of $1,250,000.

(h) Costs associated with the transaction are estimated to be $175,000.

(i) Elimination of balances owing between Eurotin and Stannico.

(j) The effective income tax rate applicable to consolidated operations is 31%.

3. PRO FORMA SHARE CAPITAL

	Note	Number	Amount
The Company's common shares issued and outstanding as at September 30, 2010		10,092,500	$ 686,750
Stannico common shares issued and outstanding as at September 30, 2010		21,584,616	1,115,681
Elimination of Stannico's common shares (including shares issued in 2(b) to 2(f) below) and Eurotin's share capital	*2(a)*	(63,882,613)	(686,750)
Issuance of shares in connection with the Transaction	*2(a)*	47,911,960	207,952
Stannico shares issued in connection with the private placement, net of value of warrants	*2(b)*	5,361,667	679,214
Stannico shares issued on conversion of convertible debt	*2(c)*	7,333,330	651,778
Stannico shares issued in connection with a drilling services arrangement, net of value of warrants	*2(d)*	1,200,000	218,140
Stannico shares issued in connection with a joint venture agreement	*2(e)*	1,386,667	208,000
Stannico shares issued in connection with the private placement, net of value of warrants, share issue costs and broker compensation options	*2(f)*	16,666,667	1,965,568
Stannico shares issued on exercise of warrants	*2(g)*	10,349,666	1,250,000
Costs associated with the Transaction	*2(h)*		(29,710)
Pro forma balance, September 30, 2010		58,004,460	$ 6,266,623