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**EUROTIN INC.**  
**CONDENSED INTERIM CONSOLIDATED**  
**FINANCIAL STATEMENTS**  
**THREE AND SIX MONTHS ENDED**  
**SEPTEMBER 30, 2014**  
**(EXPRESSED IN CANADIAN DOLLARS)**  
**(UNAUDITED)**

**Notice to Reader**

The accompanying unaudited condensed interim consolidated financial statements of the Corporation have been prepared by and are the responsibility of management. The unaudited condensed interim consolidated financial statements as at and for the three and six months ended September 30, 2014 have not been reviewed by the Corporation's auditors.

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# Management's Responsibility for Condensed Interim Consolidated Financial Statements

The accompanying unaudited condensed interim consolidated financial statements of Eurotin Inc. (the "Corporation") are the responsibility of management and the Board of Directors.

The unaudited condensed interim consolidated financial statements have been prepared by management, on behalf of the Board of Directors, in accordance with the accounting policies disclosed in the notes to the unaudited condensed interim consolidated financial statements. Where necessary, management has made informed judgments and estimates in accounting for transactions which were not complete at the statement of financial position date. In the opinion of management, the unaudited condensed interim consolidated financial statements have been prepared within acceptable limits of materiality and are in compliance with all applicable International Financial Reporting Standards.

Management has established processes, which are in place to provide it with sufficient knowledge to support management representations that it has exercised reasonable diligence to ensure that (i) the unaudited condensed interim consolidated financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of, and for the periods presented by, the unaudited condensed interim consolidated financial statements and (ii) the unaudited condensed interim consolidated financial statements fairly present in all material respects the financial condition, results of operations and cash flows of the Corporation, as of the date of and for the periods presented by the unaudited condensed interim consolidated financial statements.

The Board of Directors is responsible for reviewing and approving the unaudited condensed interim consolidated financial statements together with other financial information of the Corporation and for ensuring that management fulfills its financial reporting responsibilities. An Audit Committee assists the Board of Directors in fulfilling this responsibility. The Audit Committee meets with management to review the financial reporting process and the unaudited condensed interim consolidated financial statements together with other financial information of the Corporation. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the unaudited condensed interim consolidated financial statements together with other financial information of the Corporation for issuance to the shareholders.

Management recognizes its responsibility for conducting the Corporation's affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

(signed) "David Danziger "

Interim Chief Executive Officer

Toronto, Canada  
November 27, 2014

(signed) "Carlos Pinglo"

Chief Financial Officer

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**Eurotin Inc.****Condensed Interim Consolidated Statements of Financial Position  
(Expressed in Canadian dollars)  
(Unaudited)**

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	As at September 30, 2014	As at March 31, 2014
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	\$ 25,385	\$ 89,401
Amounts receivable and other assets (note 6)	215,603	247,824
	<b>240,988</b>	<b>337,225</b>
Property, plant and equipment (note 7)	44,327	69,139
Mineral properties and deferred expenditures (note 8)	12,882,916	12,766,749
<b>Total assets</b>	<b>\$ 13,168,231</b>	<b>\$ 13,173,113</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Current liabilities</b>		
Amounts payable and other liabilities	\$ 2,302,233	\$ 2,306,217
<b>Equity</b>		
Share capital (note 9)	26,309,363	25,894,616
Common shares to be issued (note 9)	16,114	-
Warrants (note 11)	16,685	16,685
Contributed surplus	2,557,810	2,557,810
Non-controlling interest	(204,571)	(133,134)
Accumulated other comprehensive loss	(278,967)	(361,994)
Deficit	(17,550,436)	(17,107,087)
<b>Total equity</b>	<b>10,865,998</b>	<b>10,866,896</b>
<b>Total equity and liabilities</b>	<b>\$ 13,168,231</b>	<b>\$ 13,173,113</b>

The accompanying notes to the unaudited condensed interim consolidated financial statements are an integral part of these statements.

Nature of operations and going concern (note 1)  
Contingencies and commitments (note 16)

**Approved on behalf of the Board:**

(Signed) "David Danziger", Director \_\_\_\_\_

(Signed) "John Hick", Director \_\_\_\_\_

## Eurotin Inc.

### Condensed Interim Consolidated Statements of Loss and Comprehensive Loss (Expressed in Canadian dollars) (Unaudited)

	Three Months Ended September 30,		Six Months Ended September 30,	
	2014	2013	2014	2013
<b>Operating expenses</b>				
General and administrative (note 13)	\$ 273,121	\$ 249,115	\$ 484,181	\$ 602,774
<b>Operating loss before the following items</b>	<b>(273,121)</b>	<b>(249,115)</b>	<b>(484,181)</b>	<b>(602,774)</b>
Interest income	264	331	271	5,104
Loss on debt settlement for shares	-	-	(31,767)	-
Gain on sale of equipment	891	-	891	-
<b>Net loss for the period</b>	<b>(271,966)</b>	<b>(248,784)</b>	<b>(514,786)</b>	<b>(597,670)</b>
Other comprehensive loss:				
Items that will not subsequently be reclassified to net loss:				
Foreign currency translation differences from foreign operations	11,660	(18,109)	73,002	(19,303)
<b>Total comprehensive loss for the period</b>	<b>\$ (260,306)</b>	<b>\$ (266,893)</b>	<b>\$ (441,784)</b>	<b>\$ (616,973)</b>
<b>Net loss attributable to</b>				
Parent company	\$ (258,216)	\$ (237,759)	\$ (443,349)	\$ (627,643)
Non-controlling interest	\$ (13,750)	\$ (11,025)	\$ (71,437)	\$ 29,973
<b>Total comprehensive loss attributable to</b>				
Parent company	\$ (246,556)	\$ (255,868)	\$ (370,347)	\$ (646,946)
Non-controlling interest	\$ (13,750)	\$ (11,025)	\$ (71,437)	\$ 29,973
<b>Basic and diluted net loss per share (note 10)</b>	<b>\$ (0.00)</b>	<b>\$ (0.00)</b>	<b>\$ (0.00)</b>	<b>\$ (0.01)</b>
<b>Basic and diluted net comprehensive loss per share (note 10)</b>	<b>\$ (0.00)</b>	<b>\$ (0.00)</b>	<b>\$ (0.00)</b>	<b>\$ (0.01)</b>
<b>Weighted average number of common shares outstanding</b>	<b>112,184,507</b>	<b>79,641,760</b>	<b>111,648,376</b>	<b>79,641,760</b>

The accompanying notes to the unaudited condensed interim consolidated financial statements are an integral part of these statements.

## Eurotin Inc.

### Condensed Interim Consolidated Statements of Cash Flows (Expressed in Canadian dollars) (Unaudited)

Six months ended September 30,	2014	2013
<b>Operating activities</b>		
Net loss for the period	\$ (514,786)	\$ (597,670)
Adjustments for:		
Amortization	23,403	24,392
Share-based payments	-	(10,862)
Loss on debt settlement for shares	31,767	-
Gain on sale of equipment	(891)	-
	<b>(460,507)</b>	<b>(584,140)</b>
Non-cash working capital items:		
Amounts receivable and other assets	32,221	672,889
Amounts payable and other liabilities	161,648	649,017
<b>Net cash (used in) provided by operating activities</b>	<b>(266,638)</b>	<b>737,766</b>
<b>Investing activities</b>		
Proceeds from sale of equipment	2,300	-
Expenditures on mineral properties	(116,167)	(767,750)
<b>Net cash used in investing activities</b>	<b>(113,867)</b>	<b>(767,750)</b>
<b>Financing activities</b>		
Proceeds from issuance of common shares and common shares to be issued, net of issue costs	233,462	-
Proceeds of loan from related party	-	278,400
Repayment of bank loan	-	(249,075)
<b>Net cash provided by financing activities</b>	<b>233,462</b>	<b>29,325</b>
<b>Effect of foreign currency translation</b>	<b>83,027</b>	<b>(19,303)</b>
<b>Net change in cash and cash equivalents</b>	<b>(64,016)</b>	<b>(19,962)</b>
<b>Cash and cash equivalents, beginning of the period</b>	<b>89,401</b>	<b>225,213</b>
<b>Cash and cash equivalents, end of the period</b>	<b>\$ 25,385</b>	<b>\$ 205,251</b>
<b>Supplemental cash flow information:</b>		
Share based compensation capitalized to mineral properties	\$ -	\$ (13,420)
Shares issued for debt settlement	\$ 197,399	\$ -

The accompanying notes to the unaudited condensed interim consolidated financial statements are an integral part of these statements.

## Eurotin Inc.

### Unaudited Condensed Interim Consolidated Statements of Changes in Equity (Expressed in Canadian dollars) (Unaudited)

#### Equity attributable to shareholders

	Number of shares	Share capital	Common shares to be issued	Contributed surplus	Warrants	Deficit	Accumulated other comprehensive loss	Non-controlling interest	Total
<b>Balance, March 31, 2013</b>	<b>79,641,760</b>	<b>\$ 24,593,649</b>	<b>\$ -</b>	<b>\$ 1,805,314</b>	<b>\$ 774,232</b>	<b>\$ (12,407,034)</b>	<b>\$ (281,057)</b>	<b>\$ (148,696)</b>	<b>\$ 14,336,408</b>
Share-based payments	-	-	-	(24,282)	-	-	-	-	(24,282)
Expiry of warrants	-	-	-	774,232	(774,232)	-	-	-	-
Net loss and comprehensive loss for the period	-	-	-	-	-	(627,643)	(19,303)	29,973	(616,973)
<b>Balance, September 30, 2013</b>	<b>79,641,760</b>	<b>\$ 24,593,649</b>	<b>\$ -</b>	<b>\$ 2,555,264</b>	<b>\$ -</b>	<b>\$ (13,034,677)</b>	<b>\$ (300,360)</b>	<b>\$ (118,723)</b>	<b>\$ 13,695,153</b>

	Number of shares	Share capital	Common shares to be issued	Contributed surplus	Warrants	Deficit	Accumulated other comprehensive loss	Non-controlling interest	Total
<b>Balance, March 31, 2014</b>	<b>108,141,760</b>	<b>\$ 25,894,616</b>	<b>\$ -</b>	<b>\$ 2,557,810</b>	<b>\$ 16,685</b>	<b>\$ (17,107,087)</b>	<b>\$ (361,994)</b>	<b>\$ (133,134)</b>	<b>\$ 10,866,896</b>
Shares issued for debt settlement	3,289,975	197,399	-	-	-	-	-	-	197,399
Shares issued in private placement	3,645,001	218,700	-	-	-	-	-	-	218,700
Transaction costs in private placement	-	(1,352)	-	-	-	-	-	-	(1,352)
Shares to be issued	-	-	16,114	-	-	-	-	-	16,114
Net loss and comprehensive loss for the period	-	-	-	-	-	(443,349)	83,027	(71,437)	(431,759)
<b>Balance, September 30, 2014</b>	<b>115,076,736</b>	<b>\$ 26,309,363</b>	<b>\$ 16,114</b>	<b>\$ 2,557,810</b>	<b>\$ 16,685</b>	<b>\$ (17,550,436)</b>	<b>\$ (278,967)</b>	<b>\$ (204,571)</b>	<b>\$ 10,865,998</b>

The accompanying notes to the unaudited condensed interim consolidated financial statements are an integral part of these statements.

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# **Eurotin Inc.**

## **Notes to Condensed Interim Consolidated Financial Statements**

**September 30, 2014**

**(Expressed in Canadian dollars)**

**(Unaudited)**

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### **1. Nature of operations and going concern**

#### Nature of operations

Eurotin Inc. ("the Corporation", the "Company" or "Eurotin") was incorporated under the Ontario Business Corporations Act on July 31, 2008 as a "Capital Pool Corporation" ("CPC"), as this term is defined in the policies of the TSX Venture Exchange (the "Exchange"). On April 18, 2011, Stannico Resources Inc. ("the Company" or "Stannico") completed a reverse takeover ("RTO") of Eurotin. Eurotin had no significant assets other than cash with no commercial operations at the time. On April 18, 2011, Eurotin changed its year end to March 31.

Stannico Resources Inc. was incorporated on October 9, 2008 under the laws of the province of Ontario. The Company controls 100% of the issued common shares of Minas De Estano De Espana, S.L.U. ("MESPA" or "MEE"), a private corporation incorporated on November 29, 2006 in Spain whose business is 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 unaudited condensed interim consolidated financial statements of the Corporation for the three and six months ended September 30, 2014 were reviewed by the Audit Committee and approved and authorized for issue by the Board of Directors on November 27, 2014.

The Corporation operates from its headquarters in Ontario, Canada and also through two wholly-owned subsidiaries: Stannico Resources Inc. and MESPA. These subsidiaries represent the interest of Eurotin Inc. in Spain. The address of the registered office is 25 Adelaide Street East, Suite 818, Toronto, Ontario, Canada, M5C 3A1.

Although the Corporation has taken steps to verify title to the properties on which it is conducting exploration and in which it has an interest, in accordance with industry standards for the current stage of operations of such properties, these procedures do not guarantee the Corporation's title. Property title may be subject to government licensing requirements or regulations, unregistered prior agreements, unregistered claims, aboriginal claims, and non-compliance with regulatory and environmental requirements. The Corporation's assets may also be subject to increases in taxes and royalties, renegotiation of contracts, political uncertainty and currency exchange fluctuations and restrictions.

#### Going concern

These unaudited condensed interim consolidated financial statements have been prepared based upon accounting principles applicable to a going concern, which assume that the Corporation will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business.

In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period. Management is aware in making its assessment, of material uncertainties related to events or conditions, such as those described herein, that may cast significant doubt upon the Corporation's ability to continue as a going concern.

As at September 30, 2014, the Corporation had negative working capital of \$2,061,245 (March 31, 2014 - negative working capital of \$1,968,992), had not yet achieved profitable operations, had accumulated losses of \$17,550,436 (March 31, 2014 - \$17,107,087) and expects to incur further losses in the development of its business. The Corporation will need further financings to to operate over the next 12 months.

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# Eurotin Inc.

## Notes to Condensed Interim Consolidated Financial Statements

September 30, 2014

(Expressed in Canadian dollars)

(Unaudited)

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### 1. Nature of operations and going concern (continued)

#### *Going concern (continued)*

Management acknowledges that uncertainty remains over the ability of the Corporation to meet its funding requirements but believes that financing will be available and continues to explore debt and equity financing options that would provide the Corporation with sufficient cash to continue with its exploration activities.

There is, however, no assurance that the sources of funding described above will be available to the Corporation, or that they will be available on terms and timely basis that are acceptable to the Corporation. Accordingly, these unaudited condensed interim consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities, the reported expenses and the statement of financial position classifications used that would be necessary should the Corporation be unable to continue as a going concern. These adjustments could be material.

### 2. Significant accounting policies

#### *Statement of compliance*

The Corporation applies International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC"). These unaudited condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting. Accordingly, they do not include all of the information required for full annual financial statements required by IFRS as issued by IASB and interpretations issued by IFRIC.

The policies applied in these unaudited condensed interim consolidated financial statements are based on IFRSs issued and outstanding as of November 27, 2014, the date the Board of Directors approved the statements. The same accounting policies and methods of computation are followed in these unaudited condensed interim consolidated financial statements as compared with the most recent annual financial statements as at and for the year ended March 31, 2014, except as noted below. Any subsequent changes to IFRS that are given effect in the Corporation's annual financial statements for the year ending March 31, 2015 could result in restatement of these unaudited condensed interim consolidated financial statements.

#### *Change in accounting policies*

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods after March 31, 2014. The following new standards have been adopted:

(i) IAS 32 – Financial Instruments: Presentation ("IAS 32") was amended by the IASB in December 2011 to clarify certain aspects of the requirements on offsetting. The amendments focus on the criterion that an entity currently has a legally enforceable right to set off the recognized amounts and the criterion that an entity intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. At April 1, 2014, the Corporation adopted this pronouncement and there was no material impact on the Corporation's unaudited condensed interim consolidated financial statements.

#### *New standards not yet adopted and interpretations issued but not yet effective*

(i) IFRS 9 – Financial Instruments was issued in November 2009 as the first step in its project to replace IAS 39 'Financial Instruments: Recognition and Measurement'. IFRS 9 introduces new requirements for classifying and measuring financial assets that must be applied starting January 1, 2018, with early adoption permitted. The IASB intends to expand IFRS 9 during the intervening period to add new requirements for classifying and measuring financial liabilities, de-recognition of financial instruments, impairment and hedge accounting. Earlier adoption is permitted.



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## **Eurotin Inc.**

### **Notes to Condensed Interim Consolidated Financial Statements**

**September 30, 2014**

**(Expressed in Canadian dollars)**

**(Unaudited)**

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### **3. Capital risk management**

The Corporation manages its capital with the following objectives:

- to ensure sufficient financial flexibility to achieve the ongoing business objectives including funding of future growth opportunities, and pursuit of accretive acquisitions; and
- to maximize shareholder return through enhancing the share value.

The Corporation monitors its capital structure and makes adjustments according to market conditions in an effort to meet its objectives given the current outlook of the business and industry in general. The Corporation may manage its capital structure by issuing new shares, repurchasing outstanding shares, adjusting capital spending, or disposing of assets. The capital structure is reviewed by management and the Board of Directors on an ongoing basis.

The Corporation considers its capital to be equity, which comprises share capital, common shares to be issued, warrants, contributed surplus, non-controlling interest, accumulated other comprehensive loss and deficit, which at September 30, 2014, totaled \$10,865,998 (March 31, 2014 - \$10,866,896).

The Corporation manages capital through its financial and operational forecasting processes. The Corporation reviews its working capital and forecasts its future cash flows based on operating expenditures, and other investing and financing activities. The forecast is updated based on activities related to its mineral properties and deferred expenditures. Selected information is provided to the Board of Directors of the Corporation. The Corporation's capital management objectives, policies and processes have remained unchanged during the six months ended September 30, 2014.

The Corporation is not subject to any capital requirements imposed by a lending institution.

### **4. Financial risk management**

Financial risk

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

Risk management is carried out by the Corporation's management team with guidance from the Audit Committee 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 a counterparty's inability to fulfill its payment obligations. The Corporation's credit risk is primarily attributable to cash. Cash is held with select major European and Canadian chartered banks, from which management believes the risk of loss to be minimal.

#### **(ii) Liquidity risk**

Liquidity risk is the risk that the Corporation will not have sufficient cash resources to meet its financial obligations as they come due. The Corporation's liquidity and operating results may be adversely affected if its access to the capital market is hindered, whether as a result of a downturn in stock market conditions generally or matters specific to the Corporation. The Corporation generates cash flow primarily from its financing activities. The Corporation prepares annual capital expenditure budgets, which are monitored and updated as required. In addition, the Corporation requires authorization for expenditures on projects to assist with the management of capital. The Corporation's financial liabilities comprise accounts payable and other liabilities, which are due within normal trade terms, generally 30 days.

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## **Eurotin Inc.**

### **Notes to Condensed Interim Consolidated Financial Statements**

**September 30, 2014**

**(Expressed in Canadian dollars)**

**(Unaudited)**

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#### **4. Financial risk management (continued)**

##### (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 Corporation currently does not have any interest bearing debt and, as such, the Corporation's current exposure to interest rate risk is minimal as at September 30, 2014.

##### (b) Foreign currency risk

The Corporation's functional and reporting currency is the Canadian dollar and the Corporation holds cash balances in Euro which could give rise to exposure to foreign exchange risk. It is not the Corporation's policy to hedge its foreign currency.

##### (c) Commodity and equity price risk

The Corporation is exposed to price risk with respect to commodity prices. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Corporation closely monitors commodity prices, as they relate to precious and base metals and other minerals, and the stock market to determine the appropriate course of action to be taken by the Corporation.

Commodity price risk could adversely affect the Corporation. In particular, the Corporation's future profitability and viability of development depend upon the world market price of precious and base metals and other minerals. Precious and base metals and other mineral prices have fluctuated widely in recent years. There is no assurance that, even if commercial quantities of precious and base metals and other minerals are produced in the future, a profitable market will exist for them. As of September 30, 2014, the Corporation was not a precious mineral, base metals and other minerals producer. Even so, 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 Corporation's liquidity and its ability to meet its ongoing obligations.

#### **Sensitivity analysis**

As at September 30, 2014, \$13,903 was held in Canadian Dollars and €8,113 was held in Euro. Based on management's knowledge and experience of the financial markets, the Corporation believes the following movements are reasonably possible over one year:

The Corporation is exposed to currency risk to the extent that monetary assets and liabilities held by the Corporation are not denominated in Canadian dollars. The Corporation has not entered into any foreign currency contracts to mitigate this risk.

The Corporation holds balances in foreign currencies which could give rise to exposure to foreign exchange risk. Sensitivity to a plus or minus 10% change in the foreign exchange rate of the Euro against the Canadian dollar would affect the reported loss and comprehensive loss by approximately \$67,000.

## Eurotin Inc.

### Notes to Condensed Interim Consolidated Financial Statements

September 30, 2014

(Expressed in Canadian dollars)

(Unaudited)

#### 5. Categories of financial instruments

	As at September 30, 2014	As at March 31, 2014
<b>Financial assets:</b>		
Loans and receivables		
Cash and cash equivalents	\$ 25,385	\$ 89,401
Amounts receivable	\$ 166,530	\$ 190,431
<b>Financial liabilities:</b>		
Other financial liabilities		
Amounts payable and other liabilities	\$ 2,302,233	\$ 2,306,217

As at September 30, 2014 and March 31, 2014, the fair value of all the Corporation's financial instruments approximates the carrying value, due to their short-term nature.

#### 6. Amounts receivable and other assets

	As at September 30, 2014	As at March 31, 2014
Amounts receivable	\$ 23,096	\$ 38,976
Value-added taxes receivable	143,434	151,455
Prepaid expenses	49,073	57,393
	\$ 215,603	\$ 247,824

#### 7. Property, plant and equipment

Property, plant and equipment is represented by the following:

Cost	Software	Automobiles	Machinery	Furniture and fixtures	Computer equipment	Total
Balance at March 31, 2014	\$ 21,674	\$ 55,332	\$ 91,711	\$ 12,987	\$ 20,808	\$ 202,512
Disposal	-	-	-	(6,542)	(1,911)	(8,453)
Balance at September 30, 2014	\$ 21,674	\$ 55,332	\$ 91,711	\$ 6,445	\$ 18,897	\$ 194,059

Accumulated Amortization	Software	Automobiles	Machinery	Furniture and fixtures	Computer equipment	Total
Balance at March 31, 2014	\$ 21,674	\$ 43,314	\$ 39,275	\$ 10,195	\$ 18,915	\$ 133,373
Disposal	-	-	-	(5,452)	(1,592)	(7,044)
Amortization	-	10,089	10,219	1,521	1,574	23,403
Balance at September 30, 2014	\$ 21,674	\$ 53,403	\$ 49,494	\$ 6,264	\$ 18,897	\$ 149,732

Net book value	Software	Automobiles	Machinery	Furniture and fixtures	Computer equipment	Total
March 31, 2014	\$ -	\$ 12,018	\$ 52,436	\$ 2,792	\$ 1,893	\$ 69,139
September 30, 2014	\$ -	\$ 1,929	\$ 42,217	\$ 181	\$ -	\$ 44,327

## Eurotin Inc.

### Notes to Condensed Interim Consolidated Financial Statements

September 30, 2014

(Expressed in Canadian dollars)

(Unaudited)

#### 8. Mineral properties and deferred expenditures

	March 31, 2014	Additions	Impairment	September 30, 2014
Oropesa Property	\$12,766,749	\$ 116,167	\$ -	\$12,882,916

  

	March 31, 2013	Additions	Impairment	March 31, 2014
Oropesa Property	\$11,463,306	\$ 1,303,443	\$ -	\$12,766,749
Santa Maria Property	2,660,236	194,387	(2,854,623)	-
	\$14,123,542	\$ 1,497,830	\$(2,854,623)	\$12,766,749

#### 9. Share capital

##### a) Authorized share capital

The authorized share capital consisted of an unlimited number of common shares. The common shares do not have a par value. All issued shares are fully paid.

##### b) Common shares issued

At September 30, 2014, the issued share capital amounted to \$26,309,363. The changes in issued share capital for the periods were as follows:

	Number of common shares	Amount
Balance, March 31, 2013 and September 30, 2013	79,641,760	\$ 24,593,649
Shares issued in private placement (i)	16,700,000	803,418
Transaction costs (i)	-	(75,766)
Broker warrants (i)	-	(16,685)
Shares issued for debt settlement (ii)	11,800,000	590,000
Balance, March 31, 2014	108,141,760	\$ 25,894,616
Shares issued for debt settlement (iii)	3,289,975	197,399
Shares issued in private placement (iv)	3,645,001	218,700
Transaction costs (iv)	-	(1,352)
Balance, September 30, 2014	115,076,736	\$ 26,309,363

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## **Eurotin Inc.**

### **Notes to Condensed Interim Consolidated Financial Statements**

**September 30, 2014**

**(Expressed in Canadian dollars)**

**(Unaudited)**

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#### **9. Share capital (continued)**

##### b) Common shares issued (continued)

(i) On March 6, 2014, the Company completed a private placement for gross proceeds of \$803,418 through the issuance of 16,700,000 common shares, of which 6,017,391 shares were issued against a cash advance of \$272,160 from Northern Gold Mines S.L., and 3,182,609 shares were issued against cash advance of \$159,130 from certain officers and directors of the Company.

In connection with the private placement, the Company paid to PowerOne Capital Markets Limited ("PowerOne") a cash commission of \$27,600 and broker warrants to purchase 552,000 common shares of the Company at a price of \$0.05 per share for a period of two years. The fair value of the 552,000 broker warrants was estimated to be \$16,685, using Black-Scholes valuation model on the following assumptions: dividend yield 0%; volatility 173.18%; risk free rate 1.07%; and expected life of 2 years. The Company incurred other transaction costs of \$48,166 in connection with the private placement.

(ii) On March 18, 2014, the Company completed a shares for debt private placement through the issuance of 11,800,000 common shares at a price of \$0.05 per share.

(iii) On April 17, 2014, the Company completed the second tranche of shares for debt private placement through the issuance of 3,289,975 common shares at an issuance price of \$0.06 per share for settlement of debt of \$197,399.

(iv) On September 12, 2014, the Company completed a private placement for gross proceeds of \$218,700 through the issuance of 3,645,001 common shares at a price of \$0.06 per share. Insiders of the Company subscribed for a total of 1,738,334 common shares for gross proceeds of \$104,300.

(v) During the three and six months ended September 30, 2014, the Company received \$16,114 from certain directors and officers, which will be settled for shares to be issued in the future.

#### **10. Net loss per common share**

The calculation of basic and diluted loss per share for the three and six months ended September 30, 2014 was based on the losses attributable to common shareholders of \$271,966 and \$514,786, respectively (three and six months ended September 30, 2013 - \$248,784 and \$597,670, respectively) and the weighted average number of common shares outstanding of 112,184,507 and 111,648,376, respectively (three and six months ended September 30, 2013 - 79,641,760). Diluted loss per share did not include the effect of 3,921,000 stock options and 552,000 broker warrants as they are anti-dilutive.

## Eurotin Inc.

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#### 11. Warrants

The following table reflects the continuity of warrants:

	Number of warrants	Amount (\$)
Balance, March 31, 2013	8,593,750	774,232
Expiration of warrants	(8,593,750)	(774,232)
Balance, September 30, 2013	-	-
Grant of broker warrants in private placement	552,000	16,685
Balance, March 31, 2014 and September 30, 2014	552,000	16,685

The following table reflects the warrants issued and outstanding as of September 30, 2014:

Number of Warrants Outstanding	Amount (\$)	Exercise Price (\$)	Expiry Date
552,000 (i)	16,685	0.05	March 6, 2016

(i) Each broker warrant is exercisable into one common share at an exercise price of \$0.05 per share.

#### 12. Stock options

The Corporation's outstanding stock options and the changes for the period are as follows:

	Number of Stock Options	Weighted Average Exercise Price (\$)
Balance, March 31, 2013	5,006,250	0.54
Options expired/forfeited	(286,668)	0.78
Balance, September 30, 2013	4,719,582	0.52
Options expired/forfeited	(508,332)	0.63
Balance, March 31, 2014	4,211,250	0.51
Options expired	(290,250)	0.53
Balance, September 30, 2014	3,921,000	0.51

(a) On May 4, 2011, the Corporation issued to directors, officers and employees of the Corporation 1,500,000 stock options to acquire common shares of the Corporation. The options vest one-third on the date of grant, one-third on the first anniversary of the date of grant and one-third on the second anniversary of the date of grant. These options are exercisable at a price of \$1.05 per share for a period of 5 years. The fair value of the stock options was estimated on the date of grant using the Black Scholes option pricing model with the following assumptions: dividend yield of 0%; volatility of 100%; risk free interest rate of 2.20%; and an expected life of 5 years. As a result, the fair value of the stock options was estimated at \$1,182,000. As at September 30, 2014, 983,500 stock options remain outstanding. During the three and six months ended September 30, 2014, \$nil was recorded as share-based payments in the unaudited condensed interim consolidated statements of loss and comprehensive loss (three and six months ended September 30, 2013 - \$nil and \$9,083, respectively) and \$nil was capitalized in mineral properties and deferred exploration expenditures (three and six months ended September 30, 2013 - \$nil and \$13,420 reduction, respectively).

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# Eurotin Inc.

## Notes to Condensed Interim Consolidated Financial Statements

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### 12. Stock options (continued)

(b) On November 9, 2011, the Corporation granted 400,000 stock options to an officer of the Corporation, with each option exercisable into one common share at a price of \$0.70 per share. The options are exercisable for up to 5 years from the date of grant. The stock options vest as to one-third on the date of grant, one-third on the first anniversary of the date of grant and one-third on the second anniversary of the date of grant. The fair value of the stock options was estimated on the date of grant using the Black Scholes option pricing model with the following assumptions: dividend yield of 0%; volatility of 100%; risk free interest rate of 1.21%; and an expected life of 5 years. As a result, the fair value of the stock options was estimated at \$139,600. During the three and six months ended September 30, 2014, \$nil was recorded as share-based payments in the unaudited condensed interim consolidated statements of loss and comprehensive loss (three and six months ended September 30, 2013 - \$5,856 and \$11,649, respectively).

(c) On November 28, 2011, the Corporation granted 175,000 stock options to Outsource Services Limited, its Investor Relations representative in Europe, with each option exercisable into one common share at a price of \$0.85 per share. The options are exercisable for up to 5 years from the date of grant. The stock options vest as to one-third on the date of grant, one-third on the first anniversary of the date of grant and one-third on the second anniversary of the date of grant. The fair value of the stock options was estimated on the date of grant using the Black Scholes option pricing model with the following assumptions: dividend yield of 0%; volatility of 100%; risk free interest rate of 1.28%; and an expected life of 5 years. As a result, the fair value of the stock options was estimated at \$44,625. During the year ended March 31, 2014, due to termination of the contract with Outsource Services Limited, these stock options were cancelled. During the three and six months ended September 30, 2014, \$nil was recorded as share-based payments expense in the unaudited condensed interim consolidated statements of loss and comprehensive loss (three and six months ended September 30, 2013 - \$11,802 reduction and \$9,950 reduction, respectively).

(d) On March 1, 2012, the Corporation granted 400,000 stock options to a director of the Corporation, with each option exercisable into one common share at a price of \$0.70 per share. The options are exercisable for up to 5 years from the date of grant. The stock options vest as to one-third on the date of grant, one-third on the first anniversary of the date of grant and one-third on the second anniversary of the date of grant. The fair value of the stock options was estimated on the date of grant using the Black Scholes option pricing model with the following assumptions: dividend yield of 0%; volatility of 100%; risk free interest rate of 1.32%; and an expected life of 5 years. As a result, the fair value of the stock options was estimated at \$120,000. During the year ended March 31, 2014 due to resignation of the director, these stock options were cancelled. During the three and six months ended September 30, 2014, \$nil was recorded as share-based payments expense in the unaudited condensed interim consolidated statements of loss and comprehensive loss (three and six months ended September 30, 2013 - \$26,630 reduction and \$21,644 reduction, respectively).

Details of the stock options outstanding at September 30, 2014 are as follows:

Fair Value (\$)	Contractual Life (years)	Exercisable Options	Number of Options	Weighted Average Exercise Price (\$)	Remaining Expiry Date
285,592	0.84	2,037,500	2,037,500	0.27	August 1, 2015
70,335	1.34	500,000	500,000	0.27	February 1, 2016
774,998	1.59	983,500	983,500	1.05	May 4, 2016
139,600	2.11	400,000	400,000	0.70	November 9, 2016
1,270,525	1.22	3,921,000	3,921,000	0.51	

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#### 13. General and administrative

	Three Months Ended September 30,		Six Months Ended September 30,	
	2014	2013	2014	2013
Salaries and benefits	\$ 73,451	\$ 38,865	\$ 127,230	\$ 98,097
Directors fees	41,812	25,979	76,875	80,750
Share-based payments	-	(32,576)	-	(10,862)
Professional fees	114,798	140,533	174,910	239,962
Amortization	10,025	12,360	23,403	24,392
Administrative	19,185	47,435	54,941	109,950
Investor relations	10,800	(1,230)	22,340	27,963
Travel expense	(8)	17,432	4,472	39,896
Foreign exchange gain	3,058	317	10	(7,374)
	\$ 273,121	\$ 249,115	\$ 484,181	\$ 602,774

#### 14. Related party balances and transactions

Related parties include the Board of Directors, close family members and enterprises that are controlled by these individuals as well as certain persons performing similar functions.

Related party transactions conducted in the normal course of operations are measured at the exchange value (the amount established and agreed to by the related parties) and approved by the Board of Directors in strict adherence to conflict of interest laws and regulations.

(a) The Corporation entered into the following transactions with related parties:

During the three months and six ended September 30, 2014, the Corporation incurred no related party transactions.

During the three and six months ended September 30, 2013, the Corporation incurred the following related party transactions:

(i) On January 25, 2013, MESPA signed off a line of credit with La Caixa in Spain of up to €200,000 secured by Northern Gold Mines S.L, a company controlled by an officer and Director of the Corporation.

(ii) On July 29, 2013, Northern Gold Mines S.L, a company controlled by Peter Miller, an officer and Director of the Corporation deposited €200,000 (\$272,160) in MESPA's Bank account for the repayment and cancellation of the Line of Credit. The loan bore no interest, was due on demand and was advanced in exchange for shares of the Corporation issued on March 6, 2014 (note 9).

(b) Remuneration of Directors and key management personnel of the Corporation was as follows:

	Three Months Ended September 30,		Six Months Ended September 30,	
	2014	2013	2014	2013
Salaries and benefits <sup>(1)</sup>	\$ 78,563	\$ 50,479	\$ 150,376	\$ 154,250
Professional fees <sup>(2)</sup>	\$ -	\$ 68,750	\$ -	\$ 137,500
Share-based payments	\$ -	\$ (20,774)	\$ -	\$ 1,000



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**Eurotin Inc.****Notes to Condensed Interim Consolidated Financial Statements****September 30, 2014****(Expressed in Canadian dollars)****(Unaudited)**

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**14. Related party balances and transactions (continued)**

(b) Remuneration of Directors and key management personnel of the Corporation was as follows (continued):

(1) Other than the Chief Financial Officer, the board of directors and select officers do not have employment or service contracts with the Corporation. Directors are entitled to directors fees and stock options for their services and officers are entitled to stock options for their services.

(2) The former CEO of the Corporation was paid through professional fees.

(c) To the knowledge of the directors and senior officers of the Corporation, as at September 30, 2014, no person or corporation beneficially owns or exercises control or direction over common shares of the Corporation carrying more than 10% of the voting rights attached to all of the common shares of the Corporation. The officers and directors of the Corporation own or exercise control or direction over 7,900,113 common shares or 7% of the Corporation. The holdings can change at any time at the discretion of the owner.

None of the Corporation's major shareholders have different voting rights other than holders of the Corporation's common shares.

The Corporation is not aware of any arrangements, the operation of which may at a subsequent date result in a change in control of the Corporation. To the knowledge of the directors and senior officers, the Corporation is not directly or indirectly owned or controlled by another corporation, by any government or by any natural or legal person severally or jointly.

**15. Segmented information**

The Corporation primarily operates in one reportable operating segment, being the exploration of mineral properties in Spain. The Corporation has administrative offices in Toronto, Canada. Segmented information on a geographic basis is as follows:

<b>September 30, 2014</b>	<b>Canada</b>	<b>Spain</b>	<b>Total</b>
Current assets	\$ 73,662	\$ 167,326	\$ 240,988
Mineral properties and deferred expenditures	-	12,882,916	12,882,916
Property, plant and equipment	-	44,327	44,327
Total assets	\$ 73,662	\$13,094,569	\$13,168,231
Total liabilities	1,460,974	841,259	2,302,233

  

<b>March 31, 2014</b>	<b>Canada</b>	<b>Spain</b>	<b>Total</b>
Current assets	\$ 150,128	\$ 187,097	\$ 337,225
Mineral properties and deferred expenditures	-	12,766,749	12,766,749
Property, plant and equipment	2,114	67,025	69,139
Total assets	\$ 640,724	\$12,532,389	\$13,173,113
Total liabilities	650,931	1,655,286	2,306,217

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**Eurotin Inc.****Notes to Condensed Interim Consolidated Financial Statements****September 30, 2014****(Expressed in Canadian dollars)****(Unaudited)**

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**15. Segmented information (continued)**

<b>Net loss</b>	<b>Three Months Ended</b>		<b>Six Months Ended</b>	
	<b>September 30,</b>	<b>September 30,</b>	<b>September 30,</b>	<b>September 30,</b>
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Canada	143,983	139,859	312,837	367,221
Spain	127,983	108,925	201,949	230,449
<b>Total</b>	<b>271,966</b>	<b>248,784</b>	<b>514,786</b>	<b>597,670</b>

**16. Contingencies and commitments**

The Corporation's exploration activities are subject to foreign government laws and regulations, including foreign tax laws including tax laws on value added tax and laws and regulations governing the protection of the environment. The Corporation believes that its operations comply in all material respects with all applicable past and present laws and regulations. The Corporation records provisions for any identified obligations, based on management's estimate at the time. Such estimates are, however, subject to changes in laws and regulations.

As at September 30, 2014, the Corporation is committed to future minimum payments in Euro under vehicle lease, rent, mineral property and consulting agreements and in Canadian dollars under office rent as follows:

	<b>Amount</b>
	<b>Euro</b>
For the year ended March 31, 2015	9,026
For the year ended March 31, 2016	11,098
<b>Total</b>	<b>20,124</b>

On October 25, 2011, a Permits Transfer Agreement relating to IP Santa Maria was executed and notarized as a deed. This deed was confirmed and ratified by MESEX the following day. On December 9, 2011, MESEX submitted all relevant documents and information required by law and formally applied to the Extremadura Mining Authority for the mandatory authorization of the transfer. The Corporation received such authorization on March 9, 2012.

**17. Subsequent event**

Subsequent to September 30, 2014, the Company received \$25,000 and US\$300,000 advances from current shareholders for a future issuance of shares.