EUROTIN INC.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

THREE AND NINE MONTHS ENDED

DECEMBER 31, 2018

(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 nine months ended December 31, 2018 have not been reviewed by the Corporation's auditors.

Management's Responsibility for 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 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 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) "Mark Wellings "

Chief Executive Officer

(signed) "Carlos Pinglo"

Chief Financial Officer

Toronto, Canada
February 28 , 2019

Eurotin Inc.

Condensed Interim Consolidated Statements of Financial Position
(Expressed in Canadian dollars)
(Unaudited)

	As at December 31, 2018	As at March 31, 2018
ASSETS		
Current assets		
Cash and cash equivalents	**$ 20,210**	$ 140,664
Amounts receivable and other assets (note 8)	**335,441**	262,253
Assets held for sale (note 6)	**5,955,120**	-
	6,310,771	402,917
Mineral properties and deferred expenditures (note 9)	**-**	16,337,382
Total assets	**$ 6,310,771**	$ 16,740,299
EQUITY AND LIABILITIES		
Current liabilities		
Amounts payable and other liabilities	**$ 806,272**	$ 996,966
Liabilities related to assets held for sale (note 6)	**1,147,120**	-
Equity		
Share capital (note 10)	**34,200,496**	34,200,496
Contributed surplus	**3,768,236**	3,768,236
Non-controlling interest	**(298,218)**	(390,634)
Deficit	**(33,313,135)**	(21,834,765)
Total equity	**4,357,379**	15,743,333
Total equity and liabilities	**$ 6,310,771**	$ 16,740,299

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 15)
Subsequent events (note 16)

Approved on behalf of the Board:

(Signed) "David Danziger", Director

(Signed) "John Hick", Director

Eurotin Inc.

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

	Three Months Ended December 31, 2018	Three Months Ended December 31, 2017	Nine Months Ended December 31, 2018	Nine Months Ended December 31, 2017
Operating expenses				
General and administrative (note 12)	**$ 304,891**	$ (334,881)	**$ 642,851**	$ 557,207
Operating loss before the following items	**(304,891)**	334,881	**(642,851)**	(557,207)
Interest and other income	**-**	6	**-**	1,135
Loss on debt settlement for shares (note 10 (ii))	**-**	-	**-**	(1,680,000)
Gain on sale of mineral properties and equipment (note 13)	**-**	-	**306,298**	-
Gain on write-off of accounts payable and other liabilities	**-**	5,118	**-**	5,118
Total loss and comprehensive loss from continuing operations	**(304,891)**	340,005	**(336,553)**	(2,230,954)
Total loss and comprehensive loss from discontinued operations (note 6)	**(11,036,319)**	(459,196)	**(11,049,401)**	17,485
Total loss and comprehensive loss for the period	**$ (11,341,210)**	$ (119,191)	**$ (11,385,954)**	$ (2,213,469)
Total loss and comprehensive loss attributable to				
Parent company	**$ (11,340,730)**	$ (119,454)	**$ (11,478,370)**	$ (2,212,739)
Non-controlling interest	**$ (480)**	$ 263	**$ 92,416**	$ (730)
Basic and diluted (loss) income per share - continuing operations (note 11)	**$ (0.00)**	$ 0.00	**$ (0.00)**	$ (0.03)
Basic and diluted (loss) income per share - discontinued operation (note 11)	**$ (0.10)**	$ (0.01)	**$ (0.10)**	$ 0.00
Weighted average number of common shares outstanding	**106,741,332**	70,266,383	**106,741,332**	68,270,855

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)

Nine Months Ended December 31,	**2018**	**2017**
Operating activities		
Net loss from continuing operations for the period	**$ (336,553)**	$ (2,230,954)
Adjustments for:		
Loss on debt settlement for shares	**-**	1,680,000
Gain on sale of mineral properties and equipment	**(306,298)**	-
	(642,851)	(550,954)
Non-cash working capital items:		
Amounts receivable and other assets	**(225,668)**	(25,197)
Amounts payable and other liabilities	**617,039**	10,761
Net cash used in operating activities	**(251,480)**	(565,390)
Investing activities		
Proceeds from sale of mineral properties and equipment	**306,298**	-
Cash invested in discontinued operations from continuing operatons	**(1,023,764)**	(1,715,227)
Net cash used in investing activities	**(717,466)**	(1,715,227)
Financing activities		
Proceeds from issuance of common shares, net of transaction costs	**-**	1,936,264
Advance from related party for shares to be issued	**919,000**	898,428
Net cash provided by financing activities	**919,000**	2,834,692
Net change in cash and cash equivalents for continuing operations	**(49,946)**	554,075
Cash and cash equivalents, beginning of the period for continuing operations	**70,156**	19,791
Cash and cash equivalents, end of the period for continuing operations	**$ 20,210**	$ 573,866
Cash used in operating activities for discontinued operation	**(230,337)**	(274,101)
Cash used in investing activities for discontined operation	**(359,094)**	(1,780,929)
Cash provided by financing activities for discontinued operation	**532,196**	1,898,427
Net change in cash and cash equivalents for discontinued operation	**(57,235)**	(156,603)
Cash and cash equivalents, beginning of the period for discontinued operation	**70,508**	231,450
Cash and cash equivalents, end of the period for discontinued operation	**$ 13,273**	$ 74,847
Supplemental cash flow information:		
Debt settled through issuance of shares	**$ -**	$ 1,200,000

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 Changes in Equity
(Expressed in Canadian dollars)
(Unaudited)

Equity attributable to shareholders

	Number of shares	Share capital	Contributed surplus	Warrants	Deficit	Non-controlling interest	Total
Balance, March 31, 2017	**23,988,950**	**$ 28,004,899**	**$ 3,768,236**	**$ -**	**$ (19,021,870)**	**$ (389,856)**	**$ 12,361,409**
Shares issued in private placement	39,047,619	2,000,000	-	-	-	-	2,000,000
Shares issued for debt settlement	24,000,000	2,880,000	-	-	-	-	2,880,000
Transaction costs in private placement	-	(63,736)	-	-	-	-	(63,736)
Net loss and comprehensive loss for the period	-	-	-	-	(2,212,739)	(730)	(2,213,469)
Balance, December 31, 2017	**87,036,569**	**$ 32,821,163**	**$ 3,768,236**	**$ -**	**$ (21,234,609)**	**$ (390,586)**	**$ 14,964,204**
Balance, March 31, 2018	**106,741,332**	**$ 34,200,496**	**$ 3,768,236**	**$ -**	**$ (21,834,765)**	**$ (390,634)**	**$ 15,743,333**
Net loss and comprehensive loss for the period	-	-	-	-	(11,478,370)	92,416	(11,385,954)
Balance, December 31, 2018	**106,741,332**	**$ 34,200,496**	**$ 3,768,236**	**$ -**	**$ (33,313,135)**	**$ (298,218)**	**$ 4,357,379**

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

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. ("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 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 77 King Street West, TD North Tower, Suite 700, Toronto ON M5K 1G6.

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.

On January 4, 2019, the Company completed its plan of arrangement with Elementos Limited ("Elementos"). The plan provides for the transfer by Eurotin to Elementos of 100% of the issued and outstanding securities in Minas De Estano De Espana S.L.U. ("MESPA"), a wholly owned subsidiary of Eurotin and holder of Eurotin's Oropesa tin project in Spain. In consideration for the acquisition of Oropesa, Elementos issued one billion convertible redeemable preference shares (the "CRPS") which were distributed pro-rata to Eurotin's shareholders. Holders of common shares of Eurotin (the "TIN Shareholders") as of December 31, 2018 (the "Record Date") received their pro-rata portion of the CRPS today resulting in the issuance of 9.368442207560235 CRPS for every common share of Eurotin (the "Common Shares") held by a TIN Shareholder (the "Distribution Ratio").The shares of were trading in the Australian Stock Exchange at AUD$0.05 per share, therefore the fair value of the consideration is AUD$5,000,000 which was equivalent to $4,808,000.

In addition, Elementos assumed a shareholder loan (the “Wellings Loan”) owing by MESPA to the Company’s CEO and major shareholder, Mark Wellings. The loan was for monies advanced by Mr. Wellings to fund operations of the Company and is for CAD$1 million.

1. Nature of operations and going concern (continued)

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 December 31, 2018, the Corporation had working capital of $4,357,379 (March 31, 2018 - negative working capital of $594,049), had not yet achieved profitable operations, had accumulated losses of $33,313,135 (March 31, 2018 - $21,834,765) and expects to incur further losses in the development of its business. The Corporation will need further financing to operate over the next 12 months.

The unaudited condensed interim consolidated financial statements of the Corporation for the three and nine months ended December 31, 2018 were reviewed by the Audit Committee and approved and authorized for issue by the Board of Directors on February 28, 2019.

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 a timely basis that are acceptable to the Corporation. Accordingly, these 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. Basis of presentation and statement of compliance

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 February 28, 2019, 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, 2018, 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, 2019 could result in restatement of these unaudited condensed interim consolidated financial statements.

3. Recent accounting pronouncements

Change in accounting policies

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods after March 31, 2018. The following new standards have been adopted:

IFRS 15 - Revenue From Contracts With Customers ("IFRS 15")

IFRS 15 proposes to replace IAS 18 - Revenue, IAS 11 - Construction contracts, and some revenue-related interpretations. The standard contains a single model that applies to contracts with customers and two approaches to recognizing revenue: at a point in time or over time. The model features a contract-based five-step analysis of transactions to determine whether, how much and when revenue is recognized. New estimates and judgmental thresholds have been introduced, which may affect the amount and/or timing of revenue recognized. On April 1, 2018, the Company adopted IFRS 15 and has determined that the adoption of this new standard does not have a significant impact on its financial statements.

IFRS 9 Financial Instruments ("IFRS 9")

On July 24, 2014, the IASB issued the completed IFRS 9, Financial Instruments, (IFRS 9 (2014)) to come into effect on January 1, 2018 with early adoption permitted.

IFRS 9 (2014) includes finalized guidance on the classification and measurement of financial assets. Under IFRS 9, financial assets are classified and measured either at amortized cost, fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVTPL") based on the business model in which they are held and the characteristics of their contractual cash flows. IFRS 9 largely retains the existing requirements in IAS 39 Financial Instruments: recognition and measurement, for the classification and measurement of financial liabilities.

The Company adopted IFRS 9 in its consolidated financial statements on April 1, 2018. Due to the nature of its financial instruments, the adoption of IFRS 9 had no impact on the opening accumulated deficit balance on January 1, 2018. The impact on the classification and measurement of its financial instruments is set out below.

All financial assets not classified at amortized cost or FVOCI are measured at FVTPL. On initial recognition, the Company can irrevocably designate a financial asset at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated at FVTPL:

- It is held within a business model whose objective is to hold the financial asset to collect the contractual cash flows associated with the financial asset instead of selling the financial asset for a profit or loss;
- Its contractual terms give rise to cash flows that are solely payments of principal and interest.

All financial instruments are initially recognized at fair value on the consolidated statement of financial position. Subsequent measurement of financial instruments is based on their classification. Financial assets and liabilities classified at FVTPL are measured at fair value with changes in those fair values recognized in the consolidated statement of loss and comprehensive loss for the year. Financial assets classified at amortized cost and financial liabilities are measured at amortized cost using the effective interest method.

(Expressed in Canadian dollars)

3. Recent accounting pronouncements (continued)

IFRS 9 Financial Instruments ("IFRS 9") (continued)

The following table summarizes the classification and measurement changes under IFRS 9 for each financial instrument:

Classification	IAS 39	IFRS 9
Cash and cash equivalents	Loans and receivables (amortized cost)	Amortized cost
Amounts receivable	Loans and receivables (amortized cost)	Amortized cost
Accounts payable and accrued liabilities	Other financial liabilities (amortized cost)	Amortized cost

The original carrying value of the Company's financial instruments under IAS 39 has not changed under IFRS 9.

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

Certain pronouncements were issued by the IASB or the International Financial Reporting Interpretations Committee ("IFRIC") that are mandatory for future accounting periods beginning after April 1, 2018. Those pronouncements that are not applicable or do not have a significant impact to the Company have been excluded from the below. The following have not yet been adopted and are being evaluated to determine the impact on the Company:

IFRS 16, Leases ("IFRS 16")

IFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract, the customer ("lessee") and the supplier ("lessor"). This will replace IAS 17, Leases ("IAS 17") and related interpretations. IFRS 16 provides revised guidance on identifying a lease and for separating lease and non-lease components of a contract. IFRS 16 introduces a single accounting model for all lessees and requires a lessee to recognize right-of-use assets and lease liabilities for leases with terms of more than 12 months, unless the underlying asset is of low value, and depreciation of lease assets separately from interest on lease liabilities in the income statement. Under IFRS 16, lessor accounting for operating and finance leases will remain substantially unchanged. IFRS 16 is effective for annual periods beginning on or after January 1, 2019, with earlier application permitted for entities that apply IFRS 15, Revenue from Contracts with Customers. As the Company has contractual obligations in the form of operating leases under IAS 17, there may be an increase to both assets and liabilities upon adoption of IFRS 16, and material changes to the timing of recognition of expenses associated with the lease arrangements. The Corporation is currently evaluating the impact of this standard and amendments on its consolidated financial statements.

IFRS 17, Insurance Contracts ("IFRS 17")

On May 18, 2017, the IASB issued Insurance Contracts. IFRS 17 establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts within the scope of the standard. The objective of IFRS 17 is to ensure that an entity provides relevant information that faithfully represents those contracts. This information gives a basis for users of financial statements to assess the effect that insurance contracts have on the entity's financial position, financial performance and cash flows. The Corporation is currently evaluating the impact of this standard and amendments on its consolidated financial statements.

4. 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, contributed surplus, non-controlling interest, and deficit, which at December 31, 2018, totaled $4,357,379 (March 31, 2018 - $15,743,333).

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 nine months ended December 31, 2018.

The Corporation is not subject to any capital requirements imposed by a lending institution or regulatory body, other than of the TSX Venture Exchange ("TSXV") which requires adequate working capital or financial resources of the greater of: (i) $50,000 and (ii) an amount required in order to maintain operations and cover general and administrative expenses for a period of 6 months.

As of December 31, 2018, the Corporation may not be compliant with the policies of the TSXV. The impact of this violation is not known and is ultimately dependent on the discretion of the TSXV.

5. 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.

5. Financial risk management (continued)

(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.

(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 March 31, 2018.

(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 December 31, 2018, 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.

5. Financial risk management (continued)

Sensitivity analysis

As at December 31, 2018, $20,179 was held in Canadian Dollars and €8,521 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 $2,000.

6. Discontinued operation

On January 4, 2019, the Company completed its plan of arrangement with Elementos Limited ("Elementos"). The plan provides for the transfer by Eurotin to Elementos of 100% of the issued and outstanding securities in Minas De Estano De Espana S.L.U. ("MESPA"), a wholly owned subsidiary of Eurotin and holder of Eurotin's Oropesa tin project in Spain. In consideration for the acquisition of Oropesa, Elementos issued one billion convertible redeemable preference shares (the "CRPS") which were distributed pro-rata to Eurotin's shareholders. Holders of common shares of Eurotin (the "TIN Shareholders") as of December 31, 2018 (the "Record Date") received their pro-rata portion of the CRPS today resulting in the issuance of 9.368442207560235 CRPS for every common share of Eurotin (the "Common Shares") held by a TIN Shareholder (the "Distribution Ratio").The shares of were trading in the Australian Stock Exchange at AUD$0.05 per share, therefore the fair value of the consideration is AUD$5,000,000 which was equivalent to $4,808,000.

Pursuant to IFRS 5 Non-Current Assets Held for Sale and Discontinued Operations, the unaudited condensed interim consolidated financial statements of the Company have been reclassified to reflect discontinued operation of the MESPA. Accordingly, assets, liabilities, net (loss) income and cash flows of discontinued operation have been segregated in the unaudited condensed interim consolidated statements of financial positions, the unaudited condensed interim consolidated statements of loss (income) and comprehensive loss (income) and the unaudited condensed interim consolidated statements of cash flows.

(Expressed in Canadian dollars)

6. Discontinued operation (continued)

The following tables present summarized financial information related to discontinued operation in MESPA:

Unaudited condensed interim statements of financial position of discontinued operation as at December 31, 2018:

		MESPA
ASSETS		
Current assets		
Cash and cash equivalents	$	13,273
Amounts receivable and other assets		123,805
		137,078
Mineral properties and deferred expenditures		5,818,042
Total assets held for sale	$	5,955,120
Liabilities related to assets held for sale		
Amounts payable and other liabilities	$	1,147,120

Unaudited condensed interim consolidated statements of loss and comprehensive loss for the nine months of discontinued operation ended December 31, 2018:

	Three months ended December 31, 2018	Nine months ended December 31, 2018
Salaries and benefits	$ 10,206	$ 33,223
Professional fees	76,248	128,437
Administrative	10,233	23,841
Travel	372	2,516
Foreign exchange loss	60,826	60,826
Gain on sale of mineral properties and equipment	-	(77,876)
Impairment of mineral properties and deferred expenditures	10,878,434	10,878,434
	$ 11,036,319	$ 11,049,401

(Expressed in Canadian dollars)

6. Discontinued operation (continued)

Unaudited condensed interim consolidated statements of loss and comprehensive loss for the nine months of discontinued operation ended December 31, 2017:

	Three months ended December 31, 2017	Nine months ended December 31, 2017
Salaries and benefits	$ 14,621	$ 54,739
Professional fees	35,082	83,097
Administrative	6,715	23,866
Travel	8	1,763
Foreign exchange loss	402,770	(180,950)
	$ 459,196	$ (17,485)

Unaudited condensed interim statements of cash flows of the discontinued operation for the nine months ended December 31,2018 and 2017:

	Nine months ended December 31, 2018	Nine months ended December 31, 2017
Cash used in operating activities for discontinued operation	(230,337)	(274,101)
Cash used in investing activities for discontined operation	(359,094)	(1,780,929)
Cash provided by financing activities for discontinued operation	532,196	1,898,427
Net change in cash and cash equivalents for discontinued operation	(57,235)	(156,603)
Cash and cash equivalents, beginning of the period for discontinued operation	70,508	231,450
Cash and cash equivalents, end of the period for discontinued operation	$ 13,273	$ 74,847

7. Categories of financial instruments

	As at December 31, 2018	**As at March 31, 2018**
Financial assets:		
Loans and receivables		
Cash and cash equivalents	**$ 20,210**	$ 140,664
Amounts receivable	**$ 234,195**	$ -
Financial liabilities:		
Other financial liabilities		
Amounts payable and other liabilities	**$ 806,272**	$ 996,966

As at December 31, 2018 and March 31, 2018, the fair value of all the Corporation's financial instruments approximates the carrying value, due to their short-term nature.

(Expressed in Canadian dollars)

8. Amounts receivable and other assets

	As at December 31, 2018	As at March 31, 2018
Amounts receivable	**$ 234,195**	$ 65,513
Value-added taxes receivable	**59,605**	87,952
Prepaid expenses	**41,641**	108,788
	$ 335,441	$ 262,253

9. Mineral properties and deferred expenditures

	March 31, 2018	Additions (net of recoveries)	Impairment	Transferred to discontinued operation	December 31, 2018
Oropesa Property	$16,337,382	$ 359,094	$ (10,878,434)	$ (5,818,042)	$ -

	March 31, 2017	Additions (net of recoveries)	March 31, 2018
Oropesa Property	$14,446,639	$ 1,890,743	$16,337,382

(Expressed in Canadian dollars)

10. 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 December 31, 2018, the issued share capital amounted to $34,200,496. The changes in issued share capital for the periods were as follows:

	Number of common shares	Amount
Balance, March 31, 2017	23,988,950	$ 28,004,899
Issue of common shares in private placements (i)(iii)	39,047,619	2,000,000
Shares issued for debt settlement (ii)	24,000,000	2,880,000
Transaction costs (i)(iii)	-	(63,736)
Balance, December 31, 2017	87,036,569	$ 32,821,163
Balance, March 31, 2018 and December 31, 2018	106,741,332	$ 34,200,496

(i) On April 3, 2017, the Company completed a private placement of 20,000,000 common shares in the capital of the Company ("Shares") for gross proceeds of $1,000,000 at a price of $0.05 per Share (the "Offering"). The Company incurred a total transaction costs of $33,238 for the private placement.

(ii) On April 3, 2017, the Company completed a shares for debt transaction (the "Shares for Debt Transaction") in which the Company issued 24,000,000 Shares at price of $0.05 per Share in exchange for accounts payable totaling $1,200,000. The Shares for Debt transaction resulted in a loss on settlement of debt of $1,680,000.

(iii) On December 20, 2017, the Company completed a private placement of 19,047,619 common shares in the capital of the Company for gross proceeds of $1,000,000 at a price of $0.0525 per share. The Company incurred transaction costs of $30,498 for this private placement.

11. Net loss per common share

The calculation of basic and diluted loss per share for the three and nine months ended December 31, 2018 was based on the (loss) income related to continuing operations of $(304,891) and $(336,553), respectively (three and nine months ended December 31, 2017 - 340,005 and $(2,230,954), respectively) and the (loss) income related to discontinued operation of $(11,036,319) and $(11,049,401), respectively (three and nine months ended December 31, 2017 - (459,196) and $17,485, respectively) and the weighted average number of common shares outstanding of 106,741,332 (December 31, 2017 - 70,266,383 and 68,270,855, respectively).

(Expressed in Canadian dollars)

12. General and administrative

	Three Months Ended December 31, 2018	Three Months Ended December 31, 2017	Nine Months Ended December 31, 2018	Nine Months Ended December 31, 2017
Salaries and benefits	**$ 41,250**	$ 53,562	**$ 124,952**	$ 133,667
Directors fees	**10,000**	10,000	**30,000**	30,000
Professional fees	**138,822**	4,774	**258,537**	137,745
Administrative	**17,723**	17,341	**88,105**	51,664
Investor relations	**27,632**	2,915	**43,108**	10,645
Travel	**15,035**	3,864	**38,209**	30,459
Foreign exchange loss	**54,429**	(427,337)	**59,940**	163,027
	$ 304,891	$ (334,881)	**$ 642,851**	$ 557,207

13. Gain on sale of mineral properties and equipment

On May 22, 2018 the Company's subsidiary, Minas de Estaño de Extremadura ("MESEX"), sold to a third party the Santa Maria Investigation permit properties in Spain for a gross $307,740 (200,000 Euros) consideration. 10,000 Euros were paid on extension of the agreement, 40,000 Euros will be paid in 60 days and the final 150,000 Euros once the Mineral Property transfer is registered in the Extremadura Mining Authority Records in Spain. The Company holds a 60% interest in MESEX and all exploration expenditures on the properties were subject to a $2,854,623 impairment in the year ended March 31, 2014.

During the nine months ended December 31, 2018, the Company sold certain fully-depreiciated equipments for $76,434 (51,160 Euros).

(Expressed in Canadian dollars)

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 and nine months ended December 31, 2018, Mark Wellings director and officer of the Company advanced $539,000 and $919,000, respectively (three and nine months ended December 31, 2017 - $898,428) to the Company for shares to be issued in the future. As at December 31, 2018, $508,792 was outstanding for shares to be issued and this amount was included in the accounts payable and accrued liabilities on the unaudited condensed interim consolidated statements of financial position as at December 31, 2018.

During the nine months ended December 31, 2017, the Company issued 24,000,000 common shares in settlement of $1,200,000 accounts payable with Mark Wellings director and officer of the Company, resulting in a loss on debt settlement of shares of 1,680,000.

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

	Three Months Ended December 31,		Nine Months Ended December 31,	
	2018	**2017**	**2018**	**2017**
Salaries and benefits (1)	**$ 51,250**	$ 65,000	**$ 153,750**	$ 195,000

(1) Other than the Chief Financial Officer, the board of directors and select officers do not have employment or service contracts with the Company. Directors are entitled to directors fees and stock options for their services and officers are also entitled to stock options for their services. During the three and nine months ended December 31, 2018 the director fees have been accrued and included in the Company's current liabilities and since his appointment on November 2015 Mark Wellings , Director and CEO does not receive any compensation.

(2) A Non-Executive Director incurred in professional fees related to Supervision of Feasibility & Metallurgical Studies and General Consulting.

(c) To the knowledge of the directors and senior officers of the Corporation, as at December 31, 2018, 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 other than Mark Wellings, the President, CEO and a director of the Corporation.

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

(Expressed in Canadian dollars)

15. 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 December 31, 2018, the Corporation is committed to future minimum payments in Euros for warehouse rent as follows:

	Amount Euro
For the year ending March 31, 2019	765
Total	765

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.

16. Subsequent event

On January 4, 2019, the Company completed its plan of arrangement with Elementos. The plan provides for the transfer by Eurotin to Elementos of 100% of the issued and outstanding securities in MESPA, a wholly owned subsidiary of Eurotin and holder of Eurotin's Oropesa tin project in Spain. In consideration for the acquisition of Oropesa, Elementos issued one billion convertible redeemable preference shares which were distributed pro-rata to Eurotin's shareholders. Holders of common shares of Eurotin as of December 31, 2018 (the "Record Date") received their pro-rata portion of the CRPS today resulting in the issuance of 9.368442207560235 CRPS for every common share of Eurotin (the "Common Shares") held by a TIN Shareholder (the "Distribution Ratio").