

ODIN MINING AND EXPLORATION LTD.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the Annual General Meeting of ODIN MINING AND EXPLORATION LTD. (the "Company") will be held on June 20, 2001 at 300 - 1055 West Hastings Street, Vancouver, British Columbia, V6E 2E9, at the hour of 10:30 o'clock a.m. (Vancouver time) for the following purposes:

1. To receive and consider the Report of the Directors.
2. To receive and consider the audited financial statements of the Company for the period(s) ending December 31, 2000 together with the auditor's report thereon.
3. To appoint auditors for the ensuing year and to authorize the Directors to fix the remuneration to be paid to the auditors.
4. To elect directors to hold office until the next Annual General Meeting.
5. To approve an ordinary resolution to grant incentive stock options to insiders and employees of the Company or its subsidiaries for the purchase of shares in the capital stock of the Company for such periods, in such amounts, and at such prices per share that are in accordance with the policies of the Canadian Venture Exchange and to approve any amendments to previously issued stock option agreements, including decreases in the exercise price of previously issued stock options.
6. To authorize the reservation for issuance, under stock options granted to insiders, shares exceeding 10% of the number of outstanding listed shares.
7. To authorize, upon the exercise of stock options, the issuance of shares to insiders, within a one year period, exceeding 10% of the outstanding listed shares.
8. To authorize, upon the exercise of stock options, the issuance of shares to any one insider and such insider's associates within a one year period, exceeding 5% of the outstanding listed shares.
9. To consider and, if thought fit, approve an ordinary resolution to ratify, approve and confirm all lawful acts, contracts proceeding, appointments and payments of money of and by the directors of the Company since the date of the Company's last annual general meeting.
10. To transact such other business as may properly come before the meeting.

Shareholders unable to attend the Annual General Meeting in person are requested to read the enclosed Information Circular and Proxy, then complete, sign and date the enclosed Proxy and deposit same in the enclosed return envelope provided for that purpose together with the power of attorney or other authority, if any, under which it was signed within the time and to the location set out in the instructions in the enclosed form of Proxy and Information Circular.

DATED at Vancouver, British Columbia, this 16th day of May, 2001.

BY ORDER OF THE BOARD OF DIRECTORS OF ODIN MINING AND EXPLORATION LTD.

Per: "*Stephen W.C. Stow*"

Stephen W.C. Stow, Director

ODIN MINING AND EXPLORATION LTD.

INFORMATION CIRCULAR

This information circular contains information as at May 16, 2001.

PERSONS MAKING THIS SOLICITATION OF PROXIES

This Information Circular is furnished in connection with the solicitation of Proxies by the management of the Company for use at the Annual General Meeting (the "Meeting") of the members (shareholders) of ODIN MINING AND EXPLORATION LTD. (the "Company") to be held at the time and place and for the purposes set forth in the accompanying Notice of Meeting, and at any adjournment thereof. It is expected that the solicitation will be primarily by mail. Proxies may also be solicited personally by officers of the Company. The cost of solicitation will be borne by the Company.

COMPLETION AND VOTING OF PROXIES

Voting at the Meeting will be by a show of hands, each member having one vote, unless a poll is requested or required (if the number of shares represented by proxies that are to be voted against a motion are greater than 5% of the votes that could be cast at the Meeting), in which case each member is entitled to one vote for each share held. In order to approve a motion proposed at the Meeting a majority of greater than 50% of the votes cast will be required unless the motion requires a special resolution in which case a majority of 75% will be required.

The persons named in the accompanying Proxy are representatives of the Company. A SHAREHOLDER OR AN INTERMEDIARY HOLDING SHARES ON BEHALF OF AN UNREGISTERED SHAREHOLDER HAS THE RIGHT TO APPOINT A PERSON (WHO NEED NOT BE A SHAREHOLDER) TO ATTEND AND ACT ON HIS BEHALF AT THE MEETING OTHER THAN THE PERSONS NAMED IN THE PROXY. TO EXERCISE THIS RIGHT, THE SHAREHOLDER OR INTERMEDIARY MUST STRIKE OUT THE NAMES OF THE PERSONS NAMED IN THE PROXY AND INSERT THE NAME OF HIS NOMINEE IN THE SPACE PROVIDED OR COMPLETE ANOTHER PROXY.

A shareholder or intermediary may indicate the manner in which the persons named in the enclosed Proxy are to vote with respect to any matter by checking the appropriate space. On any poll required by virtue of 5% or more of the outstanding shares of the Company being represented by proxies at the Meeting that are to be voted against a matter or by a shareholder or proxyholder requesting a poll, those persons will vote or withhold from voting the shares in respect of which they are appointed in accordance with the directions, if any, given in the Proxy.

If the shareholder or intermediary wishes to confer a discretionary authority with respect to any matter, then the space should be left blank. IN SUCH INSTANCE, THE NOMINEE, IF ONE IS PROPOSED BY MANAGEMENT, INTENDS TO VOTE THE SHARES REPRESENTED BY THE PROXY IN FAVOUR OF THE MOTION. The enclosed Proxy, when properly signed, also confers discretionary authority with respect to amendments or variations to the matters identified in the Notice of Meeting and with respect to other matters which may be properly brought before the Meeting. At the time of printing this Circular the management of the Company is not aware that any such amendments, variations or other matters are to be presented for action at the Meeting. If, however, other matters which are not now known to the management should properly come before the meeting, the Proxies hereby solicited will be exercised on such matters in accordance with the best judgement of the nominees.

The Proxy must be dated and signed by the shareholder or by his attorney authorized in writing or by the intermediary. In the case of a corporation, the Proxy must be executed under its corporate seal or signed by a duly authorized officer or attorney for the corporation and the Proxy must be accompanied by the minutes of a meeting

of the directors or the resolutions of the directors of that corporation appointing such person as the duly authorized officer or attorney for the corporation.

COMPLETED PROXIES TOGETHER WITH THE POWER OF ATTORNEY AND OTHER AUTHORITY, IF ANY, UNDER WHICH IT WAS SIGNED OR A NOTARIALY CERTIFIED COPY THEREOF MUST BE DEPOSITED WITH THE COMPANY'S REGISTRAR AND TRANSFER AGENT, COMPUTERSHARE TRUST COMPANY OF CANADA, 510 BURRARD STREET, VANCOUVER, B.C., V6C 3B9 AT LEAST 48 HOURS, (EXCLUDING SATURDAYS, SUNDAYS AND HOLIDAYS) BEFORE THE TIME OF THE MEETING OR ADJOURNMENT THEREOF.

REVOCAION OF PROXIES

A shareholder or intermediary who has given a Proxy has the power to revoke it. Revocation can be effected by an instrument in writing signed by the intermediary or shareholder or his attorney authorized in writing, and, in the case of a corporation, executed under its corporate seal or signed by a duly authorized officer or attorney for the corporation and either delivered to the registered office of the Company at Suite 2100-1066 West Hastings Street, Vancouver, B.C. V6E 3X2, at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof, or deposited with the Chairman of the Meeting on the day of the Meeting, prior to the hour of commencement.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

None of the Directors or Senior Officers of the Company, nor any person who has held such a position since the beginning of the last completed financial year of the Company, nor any proposed nominee for election as a Director of the Company, nor any associate or affiliate of the foregoing persons, has any substantial or material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting other than the election of Directors, and the matters set out under the heading "Particulars of Other Matters to be Acted On".

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

The Company has only one class of shares entitled to be voted at the Meeting, namely, common shares without par value. All issued shares are entitled to be voted at the Meeting and each has one non-cumulative vote. 34,833,149 common shares of the Company are presently issued and outstanding.

To the knowledge of the Directors and Senior Officers of the Company, only the following persons beneficially own, directly or indirectly, or exercises control or direction over shares carrying more than 10% of the voting rights attached to all outstanding shares of the Company which have the right to vote in all circumstance.

<u>Name</u>	<u>Number of Shares</u>	<u>Percentage of Outstanding Shares</u>
Tan Sri Wan Asmi Bin Wan Hamzah	4,524,999	13%
Dieter Hohmann	3,872,775	11.1%
Mauricio Ledesma	3,872,775	11.1%
554950 BC Ltd.*	19,432,762	15.4%

*3,872,775 of these shares are beneficially owned by 554950 BC Ltd., a company owned by Laurence R. Olsen, Stephen W.C. Stow and W. Stanley Webber

ELECTION OF DIRECTORS

The management proposes to nominate the persons named in the following table for election as Directors of the Company. Each Director elected will hold office until the next Annual General Meeting at which time he may be re-elected or his successor may be elected, or unless his office is earlier vacated in accordance with the Articles of the Company, or he becomes disqualified to act as a Director.

Management proposes to fix the number of directors of the Company at 6 and proposes to nominate each of the following persons for election as directors. The following information concerning the nominees is furnished by each individual nominee.

Name, Position and Country of Residence	Principal Occupation or Employment	Shares Beneficially Owned
Laurence R. Olsen Canada Chairman and Director	1993-Jan. 2001: Director of First Heritage Savings Credit Union; 1990-94: President and Director of Pine Ridge Livestock Ltd.	11,366,175
Stephen W.C. Stow Canada President, CEO and Director	1995-1998: President and Director of Stow & Associates Capital Development Services Ltd.; 1992-95: Director of Corporate Finance, Asia for National Westminster Bank; 1987-92: Director and Co-owner of CDS Corporate Development Services Limited	7,609,026
W. Stanley Webber Canada Director	1983-present: President and Director of Anchor Shipping Ltd.	1,613,811
Leong Kian Ming Malaysia Director	1998-present: Chief Financial Officer and Chief Operating Officer, 1988-1998: Chief Financial Officer - Overseas and General Limited	Nil
Mauricio Ledesma Ecuador Director	1989-present: Administration/Financial Manager - Odin Mining International Inc.	3,872,775
William Walls Vancouver Director	1997-present: Director - Harbour Pacific Oil & Gas; 1992-present: Vice-President and Chief Financial Officer - Polymer Solutions Inc.; 1992-1997: Vice-President and Chief Financial Officer - International Absorbents Inc.; 1996-1997: Director - Orion Technologies Inc.	Nil

The foregoing table provides the approximate number of shares of the Company carrying the right to vote in all circumstances beneficially owned, directly or indirectly, or over which control or direction is exercised by each proposed nominee as at the date hereof.

Details of remuneration paid to the Company's executive officers is set out under the heading "Remuneration of Management and Executive Compensation" below.

The Company's audit committee consists of Laurence R. Olsen, William Walls and W. Stanley Webber.

Advance notice of this meeting inviting nomination for directors of the Company as required by Section 111 of the Company Act, British Columbia, was published in the Vancouver Province on April 25, 2001 and delivered to the British Columbia Securities Commission and the Canadian Venture Exchange.

REMUNERATION OF MANAGEMENT AND EXECUTIVE COMPENSATION

SUMMARY COMPENSATION TABLE

Name and Principal Position	Year	Annual Compensation			Long Term Compensation			All Other Compensation (\$)
		Salary (\$)	Bonus (\$)	Other Annual Compensation (\$)	Awards	Payouts		
					Securities Under Options Granted (#)	Restricted Shares or Restricted Share Units (\$)	LTIP Payouts (\$)	
Stephen W.C. Stow President and CEO	2000	Nil	Nil	Nil	Nil	Nil	Nil	5,000 ¹
"	1999	Nil	Nil	Nil	Nil	Nil	Nil	5,000 ¹
"	1998	Nil	Nil	Nil	Nil	Nil	Nil	55,098 ¹
¹ These amounts were paid pursuant to consulting contracts between the Company and certain companies which provided management and administration services to the Company.								

Mr. Stow is not employed by the Company or any subsidiary of the Company.

OPTION/SAR GRANTS DURING THE MOST RECENTLY COMPLETED FINANCIAL YEAR

Name	Securities Under Options Granted (# common shares)	% of Total Options Granted to Employees in Financial Year	Exercise Price or Base Price (\$/Security)	Market Value of Securities Underlying Options on the Date of Grant (\$/Security)	Expiration Date
Stephen W.C. Stow President and CEO	Nil	Nil	Nil	Nil	Nil

**AGGREGATE OPTION/SAR EXERCISES DURING
THE MOST RECENTLY COMPLETED FINANCIAL
YEAR AND FINANCIAL YEAR-END OPTION/SAR VALUES**

Name	Securities Acquired on Exercise (#)	Aggregate Value Realized (\$)	Unexercised Options at FY-End (#) Exercisable/ Unexercisable	Value of Unexercised in the Money Options at FY-End (\$) Exercisable/ Unexercisable
Stephen W.C. Stow President and CEO	Nil	Nil	Nil	Nil

There are no employment contracts between either the Company or its subsidiaries and the above-named executive officers.

Neither the Company or any of its subsidiaries has any plan or arrangement with respect to compensation to its executive officers which would result from the resignation, retirement or any other termination of employment of the executive officers' employment with the Company and its subsidiaries or from a change of control of the Company or any subsidiary of the Company or a change in the executive officers' responsibilities following a change in control, where in respect of an Executive Officer the value of such compensation exceeds \$100,000.

The Company has no standard arrangement pursuant to which Directors are compensated by the Company for their services in their capacity as Directors other than the unissued treasury shares that may be issued upon the exercise of the Directors' Stock Options. There has been no other arrangement pursuant to which Directors were compensated by the Company in their capacity as Directors except as disclosed herein and in the financial statements attached hereto.

None of the Directors or Senior Officers of the Company, nor any proposed nominee for election as a director of the Company, nor any associate or affiliate of such persons, are or have been indebted to the Company at any time since the beginning of the Company's last completed financial year.

The Company has no pension plan.

INTEREST OF MANAGEMENT AND INSIDERS IN MATERIAL TRANSACTIONS

None of the Directors or Senior Officers of the Company, nor any proposed nominee for election as a Director of the Company, nor any person who beneficially owns, directly or indirectly, shares carrying more than 10% of the voting rights attached to all outstanding shares of the Company, nor any associate or affiliate of the foregoing persons has any material interest, direct or indirect, in any transaction since the commencement of the Company's last completed financial year or in any proposed transaction which, in either case, has or will materially affect the Company, except as disclosed herein and the financial statements attached hereto.

APPOINTMENT OF AUDITORS

The persons named in the enclosed Proxy will vote for the appointment of Price Waterhouse Coopers LLP, Chartered Accountants, of Vancouver, British Columbia, as Auditors for the Company to hold office until the next Annual General Meeting of the shareholders, at a remuneration to be fixed by the Directors.

MANAGEMENT CONTRACTS

There are no other management functions of the Company or a subsidiary thereof which are to any substantial degree performed by a person other than the directors or senior officers of the Company or a subsidiary thereof. Refer to the heading "Remuneration of Management and Executive Compensation" for further details with respect to management contracts.

PARTICULARS OF OTHER MATTERS TO BE ACTED UPON

1. Incentive Stock Options

Canadian Venture Exchange ("CDNX") Policy 4.4 provides that a listed company must obtain "disinterested shareholder approval" (determined in accordance with CDNX Policy 4.4) to:

- (i) a decrease in the exercise price of stock options previously granted to insiders;
- (ii) the reservation, for issuance under stock options granted to insiders, shares exceeding 10% of the number of outstanding listed shares;
- (iii) the issuance to insiders, upon the exercise of stock options, within a one year period, shares exceeding 10% of the outstanding listed shares;
- (iv) the issuance to any one insider and such insider's associates, upon the exercise of stock options, within a one year period, shares exceeding 5% of the outstanding listed shares.

Accordingly, members will be asked to pass resolutions authorizing the above.

OTHER MATERIAL FACTS

Management of the Company is not aware of any other matter to come before the Meeting other than as set forth herein and in the Notice of Meeting. If any other matter properly comes before the Meeting, it is the intention of the persons named in the enclosed form of Proxy to vote the shares represented thereby in accordance with their best judgment on such matter.

DATED this 16th day of May, 2001.

ON BEHALF OF THE BOARD OF DIRECTORS

Per: "Stephen W.C. Stow"
Stephen W.C. Stow, Director

Odin Mining and Exploration Ltd.

Consolidated Financial Statements
December 31, 2000 and 1999
(expressed in U.S. dollars)

March 9, 2001

Auditors' Report

To the Shareholders of Odin Mining and Exploration Ltd.

We have audited the consolidated balance sheets of **Odin Mining and Exploration Ltd.** as at December 31, 2000 and 1999 and the consolidated statements of operations and deficit and cash flows for the years then ended. These 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 consolidated financial statements present fairly, in all material respects, the financial position of the company as at December 31, 2000 and 1999 and the results of its operations and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles. As required by the British Columbia Company Act, we report that, in our opinion, these principles have been applied on a consistent basis.

Chartered Accountants

Odin Mining and Exploration Ltd.

Consolidated Balance Sheets

As at December 31, 2000 and 1999

(expressed in U.S. dollars)

	2000 \$	1999 \$
Assets		
Current assets		
Cash and cash equivalents	1,641,501	1,560,689
Short-term investments	46,685	66,975
Accounts receivable	20,629	36,185
Prepaid expenses	12,111	14,564
	<u>1,720,926</u>	<u>1,678,413</u>
Mineral properties and deferred exploration costs (note 3)	<u>635,281</u>	<u>635,281</u>
	<u>2,356,207</u>	<u>2,313,694</u>
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	59,778	67,018
Minority interest	<u>8,702</u>	<u>8,702</u>
	68,480	75,720
Shareholders' Equity		
Capital stock (note 5)	8,512,139	8,512,139
Contributed surplus	14,565,986	14,565,986
Deficit	<u>(20,790,398)</u>	<u>(20,840,151)</u>
	<u>2,287,727</u>	<u>2,237,974</u>
	<u>2,356,207</u>	<u>2,313,694</u>

Approved by the Board of Directors

William Walls
Director

Stanley Webber
Director

Odin Mining and Exploration Ltd.

Consolidated Balance Sheets ...*continued*

As at December 31, 2000 and 1999

(expressed in U.S. dollars)

Odin Mining and Exploration Ltd.

Consolidated Statements of Operations and Deficit For the years ended December 31, 2000 and 1999

(expressed in U.S. dollars)

	2000 \$	1999 \$
Expenses		
Write-down of mineral properties and deferred exploration costs	-	543,727
Write-down of material and supplies	-	61,769
Provision for decline in value of Short-term investments	20,435	44,650
General and administration	32,131	39,474
Geological	13,755	-
Salaries and wages	42,720	41,902
Legal, accounting and audit fees	40,277	32,340
Foreign exchange	(13,174)	14,337
Communications and shareholder relations	4,858	11,638
Occupancy	8,151	10,917
Travel	3,552	3,919
Taxes and insurance	262	3,649
Gain on sale of fixed assets	(116,259)	(79,960)
	<u>36,708</u>	<u>728,362</u>
Income		
Interest	86,461	85,368
Other	-	4,008
	<u>86,461</u>	<u>89,376</u>
Net earnings (loss) for the year	49,753	(638,986)
Deficit - Beginning of year	<u>(20,840,151)</u>	<u>(20,201,165)</u>
Deficit - End of year	<u>(20,790,398)</u>	<u>(20,840,151)</u>
Basic earnings (loss) per share	<u>(0.00)</u>	<u>(0.02)</u>
Weighted average number of shares outstanding	<u>34,833,149</u>	<u>34,833,149</u>

Odin Mining and Exploration Ltd.

Consolidated Statements of Cash Flows

For the years ended December 31, 2000 and 1999

(expressed in U.S. dollars)

	2000 \$	1999 \$
Cash flows from operating activities		
Net earnings (loss) for the year	49,753	(638,986)
Items not affecting cash		
Write-down of mineral properties and deferred exploration costs	-	543,727
Provision for decline in value of Short-term investments	20,435	44,650
Gain on sale of fixed assets	(116,259)	(79,960)
	<u>(46,071)</u>	<u>(130,569)</u>
Changes in non-cash working capital items		
Accounts receivable	15,556	9,687
Prepaid expenses	2,453	29,149
Materials and supplies	-	61,769
Accounts payable and accrued liabilities	(7,240)	(56,199)
	<u>10,769</u>	<u>44,406</u>
	<u>(35,302)</u>	<u>(86,163)</u>
Cash flows from investing activities		
Short-term investments	(145)	(111,625)
Mineral properties and deferred exploration costs	-	(12,242)
Proceeds from sale of fixed assets	116,259	79,960
	<u>116,114</u>	<u>(43,907)</u>
Increase (decrease) in cash and cash equivalents	80,812	(130,070)
Cash and cash equivalents - Beginning of year	<u>1,560,689</u>	<u>1,690,759</u>
Cash and cash equivalents - End of year	<u>1,641,501</u>	<u>1,560,689</u>

Odin Mining and Exploration Ltd.

Notes to Consolidated Financial Statements
December 31, 2000 and 1999

(expressed in U.S. dollars)

1 Operations

Odin Mining and Exploration Ltd. ("Odin" or the "company") was incorporated under the Company Act (British Columbia) on March 22, 1988 and is engaged in the business of exploration and development of mineral properties in South America.

In 1998 and 1997, the company's principal operations were located in Ecuador. During 1997, the company closed its Estero Hondo mine due to the depletion of its mineral resources.

On October 31, 1997, a management team from the company bought out Overseas and General Limited's interest in the company comprising 25,933,312 shares.

2 Significant accounting policies

Basis of consolidation

The consolidated financial statements include the accounts of Odin and its wholly and partially owned subsidiaries. All intercompany transactions and balances have been eliminated on consolidation.

Foreign currency translation

All accounts are reported in United States dollars. The assets and liabilities of companies not reporting in U.S. dollars are translated using the temporal method as follows:

- a) monetary items are translated at the exchange rate prevailing at each balance sheet date;
- b) non-monetary items are translated at historical exchange rates; and
- c) revenue and expense items are translated at the average rate of exchange for the year.

Any exchange gains or losses are charged to the consolidated statements of operations and deficit during the year.

Mineral properties and deferred exploration costs

Odin holds mineral properties and options to purchase certain mineral properties in South America. The company is currently exploring these mineral properties and has not yet determined whether they contain reserves that are economically recoverable. The potential for recovery of costs incurred on these mining properties and of related exploration costs is dependent upon the registration of title on all underlying mining concessions, the discovery of economically recoverable reserves, the ability to obtain financing to complete their development and future proceeds from property dispositions.

Mineral properties include acquisition costs and option payments for mineral concessions. Mineral properties and deferred exploration costs are recorded at cost and deferred until production commences or the property is sold or abandoned.

Odin Mining and Exploration Ltd.

Notes to Consolidated Financial Statements
December 31, 2000 and 1999

(expressed in U.S. dollars)

For producing properties costs are amortized using the unit-of-production method.

A property is abandoned when all claims related to the property have expired or management has determined that the property is not economically viable. When a property is abandoned or sold, all deferred costs related to the property are charged to the consolidated statements of operations and deficit during the year.

Earnings (loss) per share

Basic earnings (loss) per share is calculated using the weighted average number of common shares outstanding during the year of 34,833,149 (1999 - 34,833,149). Fully diluted earnings (loss) per share is calculated, where dilutive, by adjusting the number of common shares outstanding for the year for the effects arising from the potential conversion of options and warrants. Fully diluted earnings (loss) per share amounts are not reported as they are not materially different from the basic earnings (loss) per share.

Financial instruments

The company does not use any derivative financial instruments. The carrying amounts reported in the consolidated balance sheets for cash and cash equivalents, short-term investments, accounts receivable, prepaid expenses, accounts payable and accrued liabilities are reasonable estimates of fair values at the balance sheet dates.

The company places its cash and cash equivalents with financial institutions believed to be credit-worthy.

Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions which affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the dates of the financial statements and revenues and expenses for the years reported. Actual results could differ from those estimates.

Cash and cash equivalents

Cash and cash equivalents include cash and short-term investments maturing within 90 days of the original date of acquisition.

Share option plan

The company has no formal share-based compensation plan. Options are granted periodically by the directors and no compensation expense is recognized when share or share options are issued. Any consideration paid by directors, employees or consultants on exercise of share options or purchase of share is credited to capital stock.

Income taxes

Effective January 1, 2000, the company has adopted the new recommendations of the Canadian Institute of Chartered Accountants for accounting for future income taxes. Under this new rule, a future income tax liability would be recognized whenever recovery or settlement of the carrying amount of an asset or liability would

Odin Mining and Exploration Ltd.

Notes to Consolidated Financial Statements
December 31, 2000 and 1999

(expressed in U.S. dollars)

result in future income tax outflows. Similarly a future income tax asset would be recognized whenever recovery or settlement of the carrying amount of an asset or liability would generate future income tax reductions. This recommendation has been applied retroactively, but no adjustment to the company's balance sheets or statements of operations and deficit was required.

Short-term investments

Investments in marketable securities are recorded at the lower of cost and market value.

3 Mineral properties and deferred exploration costs

	2000		
	Cost	Write-down	Net
	\$	\$	\$
El Plateado	635,281	-	635,281
	1999		
	Cost	Write-down	Net
	\$	\$	\$
El Plateado	635,281	-	635,281
El Guayabo	543,727	543,727	-
	1,179,008	543,727	635,281

The company's mineral properties and deferred exploration costs at December 31, 2000 and 1999 consisted of:

El Plateado

The company maintains exploration mining titles to this project which expire in 2001 and 2002. Although the company has not undertaken exploration in either of the past two years, it has not abandoned the project and is seeking a joint venture partner to undertake further exploration.

El Joven project

The company and Newmont Overseas Exploration Ltd., a subsidiary of Newmont Mining Corporation, ("Newmont") have an on-going joint venture agreement over the areas identified as Source of Biron, Tadao, Los Cangrejos and Estero Zapato, collectively the El Joven project.

Under this joint venture agreement the company retains a 40% free carried interest in the project until a feasibility study is completed by Newmont, at Newmont's expense.

Odin Mining and Exploration Ltd.

Notes to Consolidated Financial Statements
December 31, 2000 and 1999

(expressed in U.S. dollars)

El Guayabo

This project comprises a 20-year production concession covering 1,890 hectares located in the El Oro province. At the end of 1996, the company negotiated the replacement of the El Guayabo area from a joint venture with Newmont with another one belonging to Odin called Estero Zapato. In 1999, the company relinquished title to this concession. All costs accumulated in respect of this project were written off during the year.

4 Related party transactions

During the year ended December 31, 2000, the following transactions occurred with related parties:

- a) Director's fees of \$23,300 (1999 - \$35,000) were accrued, and included in accounts payable.
- b) Office staff services of \$11,324 (1999 - \$12,972) were paid to a person related to one of the directors and included in salaries.
- c) Rent of \$1,021 (1999 - \$4,043) was paid to a company which has two common directors with the company, and included in occupancy.

5 Capital stock

Common shares

Authorized

At December 31, 2000, the company's authorized share capital consisted of 200,000,000 common shares without par value

	Number of shares	Amount \$
Issued		
Balance - December 31, 2000 and 1999	34,833,149	8,512,139

Shares held in escrow

As at December 31, 1999, 289,063 shares of the company were subject to an escrow agreement and may not be transferred, assigned or otherwise dealt with without the consent of regulatory authorities. On March 1, 2000, all 289,063 shares were released from escrow.

Odin Mining and Exploration Ltd.

Notes to Consolidated Financial Statements
December 31, 2000 and 1999

(expressed in U.S. dollars)

Common share options

The company does not have a formal share option plan. Options and terms are granted by the directors at their discretion. The following summarizes information about the options at December 31, 2000 and 1999 and the changes for the years then ended.

	<u>2000</u>		<u>1999</u>	
	Number of options	Weighted average exercise price \$	Number of options	Weighted average exercise price \$
Options outstanding and exercisable - Beginning and end of year	3,483,315	0.34	3,483,315	0.34

The following table summarizes information about share options outstanding and exercisable at December 31, 2000:

Number of options	Exercise price Cdn. \$	Expiry date
100,000	0.69	January 28, 2002
<u>3,383,315</u>	0.33	June 8, 2002
<u>3,483,315</u>		

6 Income taxes

The reconciliation of the combined Canadian federal and provincial statutory income tax rates to the effective tax rate is as follows:

	<u>2000</u>	<u>1999</u>
	\$	\$
Statutory tax rate	45.62%	45.62%
Provision for income taxes based on statutory		
Canadian combined federal and provincial income tax rates	22,697	(291,505)
Differences in foreign tax rates	63,818	135,188
Losses for which an income tax benefit has not been recognized	127,062	155,140
Temporary differences	(213,577)	1,177
	<u>-</u>	<u>-</u>

Odin Mining and Exploration Ltd.

Notes to Consolidated Financial Statements
December 31, 2000 and 1999

(expressed in U.S. dollars)

The significant components of the company's future tax assets are as follows:

	\$
Future income tax assets	
Tax value of capital assets and mineral properties in excess of book value	212,931
Canadian operating loss carryforward	354,225
Canadian capital loss carryforward	2,961,497
Net Ecuadorian operating loss carryforward	446,237
	<hr/>
	3,974,890
Less: Valuation allowance	<u>(3,974,890)</u>
	<hr/>
	-

The company has Canadian non-capital loss carryforward of U.S. \$794,225 that may be available for tax purposes. The losses expire as follows:

Expiry date	\$
2001	-
2002	84,117
2003	355,326
2004	56,091
2005	234,840
2006	-
2007	63,851
	<hr/>
	794,225
	<hr/>

The company also has Ecuadorian operating losses of U.S. \$3,814,829 expiring in 2004.

7 Segmented information

The company has one operating segment, exploration and development of mineral properties. All mineral properties of the company are located in Ecuador.

