

ODIN MINING & EXPLORATION LTD.
Management's Discussion and Analysis
For the Quarter Ending September 30, 2009

General

The following information, prepared as of November 27, 2009, should be read in conjunction with the unaudited consolidated financial statements of Odin Mining and Exploration Ltd. (the "Company") for the quarter ended September 30, 2009, as well as the audited consolidated financial statements for the year ended December 31, 2008, and related notes attached thereto, which are prepared in accordance with Canadian generally accepted accounting principles. All amounts are expressed in US dollars unless otherwise indicated.

Forward-Looking Information

This management discussion and analysis ("MD&A") contains certain forward-looking statements and information relating to the Company that are based on the reasonable beliefs of its management as well as assumptions made by and information currently available to the Company. If used in this document, the words "anticipate", "believe", "estimate", "expect", and similar expressions, used in relation to the Company or its management, are statements relating to, among other things, regulatory compliance, the sufficiency of current working capital, the estimated cost and availability of funding for the continued exploration and development of the Company with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements. Important factors are identified in this MD&A. The Company claims safe-harbor in respect all forward looking-information.

1. Nature of Operations and Overall Performance

**Mining Decree of April 18, 2008 and New Mining Law of January 29, 2009
Mining Regulations come into effect on November 16, 2009**

On November 16 the new Mining Regulations were published in the National Registry, and became effective as of that date. According to the regulations, mining and exploration companies can now re-initiate operations on their areas as long as they have all documents in place and approved, and this depends on the exploration stage in which they are involved. Although it is not clearly stated, Odin's areas could be cataloged as being under initial exploration, and the Environmental Agency that is in charge of issuing the environmental permit has already requested some additional information from Odin in order to give a formal approval to start the drilling process.

At this time Odin's technical team is defining the potential drill sites, in order to provide locations, depths, water usage for drilling, muds recycling scheme, and other factors pertinent to the drilling campaign. These are all factors that the Environmental Agency requires to be covered, in order to issue the license. Water permits and community involvement are also part of the aspects that the Environmental Agency is looking for. Odin has also begun the process to obtain all the required permits within the 120 days time limit imposed by the new regulations.

Description of Business, Operations and Financial Condition

As mentioned in the previous paragraph, the regulations implement to the Mining law were put in place on November 20, and therefore Odin's technical staff are involved in moving our project forward. On October 29, Odin received a letter from the Environmental Agency, in which they required additional information regarding our proposed drilling and other exploration activities, so that all the new requirements can be met before they can issue the environmental license.

The additional information required is basically a more detailed drilling program, drill locations, depths, water consumption, and environmental mitigation plans for the drilling platforms and muds recycling. Odin is employing additional technical personnel to put together the additional data, and work along with Terrambiente Consultores Limitada, to provide all the information required to obtain all the legal licenses as required. Such licenses include regulatory environmental impact statements, water rights and community relations.

Once the permits have been obtained within the 120 day time period that the regulations now specify, Odin will initiate a drilling program to determine the potential of part of the properties under Odin control.

The Company's business continues to be to focus on maintenance of existing prospective mining properties and examining alternative exploration opportunities in Ecuador. The carrying out of early-stage mineral exploration on properties offered to Odin is only undertaken on those having realistic discovery potential. If early stage exploration proves fruitful, the Company policy is to then decide at what stage in that project's development it should seek joint venture partners to fund further exploration, add partners' expertise, and/or whether to proceed to development and production without reliance on partners (which has been the case in the past).

The current status of Odin's concessions, subject to clarification under the new regulations, is shown in Table 1.

Location	Number	Area (ha)
Cangrejos	10	4,872
Cangrejos (Castro)	2	722

Table 1: Summary of Odin Concessions at September 30, 2009

Even prior to April 18, 2008, Odin had formed a view that, given the legal, political and social situation prevailing in Ecuador, it would be advisable to own both the mineral and surface rights (as far as practical / available) over the principal areas of interest to allow the company to be reasonably assured of being able to carry out its exploration and, eventually, its mine development programs in a cost effective and timely manner.

Consequently, in addition to the land acquired as part of the agreement with Mr. Castro, Odin had been purchasing land / surface rights in critical locations with respect to its conceptual targets at Greater Cangrejos.

In March 2008 Odin concluded the purchase of another block of land in the main target zone on the eastern side of Greater Cangrejos, where, prior to 18 April, Odin had expected that diamond drilling would take place in 2008. The total of Odin controlled land in the Greater Cangrejos project area is now approx. 336 Has. Ramirez South was the last land purchased by the Company on April 18, 2008, and registered with the public registrar on May 23, 2008.

As of July 31, 2008, Odin was obliged to lay off its entire geological staff in order to conserve funds until the tenure over its concession holdings can be formally confirmed. This is the same for all mining exploration companies in Ecuador. Mr Armando Carvajal is expected to be appointed to his previous position as head of the local Ecuadorian geological team. Mr Carvajal's first task will be to ensure that all the reports and commitments now required to be submitted to government within 120 days of the publication date of the regulations (ie November 16, 2009) are complied with in a timely and cost-effective manner. Odin's immediate objective is to implement the drill programme, originally announced on April 07, 2008, as soon as possible.

Mr. Michael Potter, MSc, MAusIMM, MIMMM, an independent geological consultant, continues to act as the "qualified person" in terms of NI 43-101 for Odin's geological work described below. He and Mr. Carvajal made a field inspection of the Greater Cangrejos on November 26-29 to check on the situation currently prevailing on the ground following the suspension of field work for 18 months on 18 April 2008 when the Ecuadorian National Assembly accepted the New Mining Mandate.

Greater Cangrejos Project Area

The Greater Cangrejos property lies in the western foothills of the Andes of south-western Ecuador 40 km south-east of Machala, the capital of El Oro Province, and 200 km south of Guayaquil, Ecuador's largest city and most important economic centre. The term "Greater" Cangrejos is now being used to cover both Odin's original Cangrejos property plus the two concessions negotiated with Sr. Francisco Castro Sanchez ("Mr. Castro").

On 08 May 2007 Odin signed an option agreement with Mr. Castro to purchase a 100% ownership interest in certain mineral and surface rights. After due diligence it was clear that the mineral rights consisted of two mineral concessions covering 722 hectares (Las Canarias of 380 ha and Cacique of 342 ha) and that the surface rights area, as measured by Odin, covers 160 hectares and straddles the boundary of the two mineral concessions.

The two Castro concessions infill the gap along the eastern boundary of Odin's Los Cangrejos concession between the Paloma/Trinchera mineralized trends partially drilled by Newmont in 1999/2000 and the Dos Bocas anomaly re-sampled by Odin in 2006. Consequently, the area is a key element in reconstructing the Greater Cangrejos concession position, as it existed at the time of the El Joven joint venture with Newmont. Only one other block of mineral rights remains to be acquired before the reconstruction of the targeted block of concessions is complete.

The addition of the two Castro concessions to the Greater Cangrejos property opens up the possibility for the

discovery of other types of gold mineralization in addition to the low-grade, high-volume, porphyry-style and gold-copper mineralization targeted in the Trinchera and Paloma mineralized zones, as described in the NI 43-101 technical report that Odin filed on June 30, 2004. These different styles of mineralization are expected to consist of relatively small-volume, higher-grade, gold veins and shatter zones developed on fault intersections, possibly associated with quartz-tourmaline alteration, at elevations 300 m to 400 m topographically above the Trinchera/Paloma zones.

Following the reinitiation of fieldwork on the Greater Cangrejos property in June 2007, the field crews carried out detailed geological mapping, stream sediment sampling and rock chip sampling along the creek beds over the Castro concessions and over adjoining parts of the Cangrejos concession until September 2007. The results of this stream sediment program indicated the presence of a new gold target about 1 km in diameter in the south-western sector of the concession block recently acquired from Mr. Castro. This new target is at an elevation 300 m to 400 m higher than that of the disseminated, low-grade, porphyry-style, gold-copper mineralization on the Trinchera and Paloma mineralized trends drilled by Newmont in 1999/2000.

In 2000 Newmont drilled one, 293 m long, diamond drill-hole (C00-29), inclined at -45° to the north on the eastern edge of this gold target, close to the boundary of the Cacique and Las Canarias concessions within the Castro block of concessions. This hole gave an intersection of 22 m at 2.56 g/t Au and about 0.2% Cu starting at a down-hole depth of 130 m. The type of mineralization encountered in C00-29 is reminiscent of the Au-Cu porphyry style of mineralization intersected in Newmont's holes in the Trinchera/Paloma zone.

The presence in the general area of the stream sediment anomaly source of an informal mine working on a narrow (0.7m) quartz-tourmaline vein and of float blocks of quartz-tourmaline breccias, indicate that other important styles of gold mineralization in this area may include:-

- (i) narrow, steep, quartz-tourmaline veins emplaced along northerly and east-north-easterly striking linear structures,
- (ii) irregular bodies of quartz-tourmaline breccia developed at the intersections of the linear structures and an inferred set of generally north-westerly to west-north-westerly trending curvilinear structures.

Although such bodies of mineralization are expected to be much smaller in volume than the porphyry-style mineralization at Paloma/Trinchera, their grades could be significantly higher.

In October 2007 Odin's field crews commenced a systematic program of top-to-bedrock soil sampling program on a 50m x 50 m grid in the south-western sector of the Castro concession block in order to expand substantially the small program undertaken in 2006 over the Trinchera and Paloma mineralized trends towards the north-east into the area of the 1 km diameter gold source identified from the stream sediment sampling program described above. The objective of this program was to use closer spaced sampling to check for well defined, cohesive, higher value (>100 ppb) gold anomalies within a nebulous area of sporadic low value (>50 ppb) gold anomalies suggested by Newmont's 100 m x 100 m (and wider spaced) sampling undertaken during their tenure as operator of the El Joven joint venture (1994-2001).

Table 2 below shows the number of top-of-bedrock, soil samples that Odin had taken prior to April 18, 2008. The samples tabulated represent the results of about 4500m of hand auguring with an average hole depth of 3m and a maximum hole depth of 7m.

Year	Location	Field Samples	Field duplicates	Field Checks
2008 (Apr)	Infill	91	3	0
2008 (Feb/Mar)	south-west	259	8	5
2008 (Jan)	Castro Block	363	11	0
2007	50 m x 50 m	716	22	16
2006	Trinchera/Paloma	130	4	10
2006-2008	TOTALS	1559	48	31

Table 2: Summary of hand-auger work at Greater Cangrejos 2006-2008(April)

The planned Phase I top-of-bedrock, soil sampling on a 50m x 50m grid over the southwest quadrant of the Castro concession block, was completed at the end of March 2008. Subsequently, selected areas of known anomalous results were checked by infilling the grid to 25m x 50m.

The last of the Feb/Mar/Apr 2008 samples were delivered to the sample preparation facility on April 07, 2008, 11 days before the approval of the mining mandate required the suspension of exploration fieldwork throughout

Ecuador. The analytical results from this last batch of work are included in the summaries given in Table 3 for gold and Table 4 for copper.

Year	2008 Feb/Mar	2008 Jan	2007 & 2006	2008 Feb/Mar	2008 Jan	2007 & 2006
ppb Gold	Number of Soil Samples			Percent of Soil Samples		
>1000		3	22		0.8	2.6
500-999		1	17		0.3	2.0
250-499	7	7	52	2.7	1.9	6.2
100-249	16	11	95	6.2	3.0	11.2
50-99	44	30	136	17.0	8.3	16.1
<50	192	311	524	74.1	85.7	61.9
TOTALS	259	363	846	100.0	100.0	100.0

Table 3: Distribution of GOLD values in 50m x 50 m, augured soil samples: 2006-2008 (Mar) (maximum gold values: 2008 (Feb/Mar) = 476 ppb, 2008(Jan) = 2690 ppb, 2006/7 = 5135 ppb)

Year	2008 Feb/Mar	2008 Jan	2007 & 2006	2008 Feb/Mar	2008 Jan	2007 & 2006
ppm Copper	Number of soil samples			Percent of soil samples		
>1000	1		19	0.4		2.2
500-999	2		52	0.8		6.2
250-499	27	4	68	10.4	1.1	8.0
125-249	36	13	129	13.9	3.6	15.3
<125	193	346	578	74.5	95.3	68.3
TOTALS	259	363	846	100.0	100.0	100.0

Table 4: Distribution of COPPER values in 50m x 50m, augured soil samples 2006-2008 (Mar) (maximum copper values: 2008 (Feb/Mar) = 1155 ppm, 2008(Jan) = 454 ppm, 2006/7 = 8225 ppm)

The results from the samples submitted in early April 2008 from the last few, northernmost lines of the 50m x 50m grid have not produced any new gold anomalies (>100 ppb Au) additional to those already identified. However, a new copper anomaly (>125 ppm Cu), measuring about 300m x 300m, and still open to the north, appears to be developing in the north-west of the area sampled. As expected, the infill sampling to give a 25m x 50m grid over selected areas of the Cacique gold anomalies has confirmed the existence of these anomalies.

Newmont's hole C00-29, referred to above, passed below one of the Cacique gold soil anomalies. This hole established that this gold soil anomaly definitely reflects the presence of gold-bearing bedrock mineralization. Furthermore, this particular anomaly shows copper coincident with the gold, the same correlation seen in the porphyry-style of mineralization encountered in the intersection in hole C00-29. In contrast, the other Cacique gold soil anomalies show little or no association with copper. It is expected that these anomalies may be related to copper-free, quartz-tourmaline styles of gold mineralization.

During 2007 approximately 100 rock samples were taken on a casual basis for analysis. About another 100 rock samples for analysis were collected in early 2008 during the current quarter. In January 2008, the 11 rock samples (including 3 core samples) collected in December 2007, were dispatched to Canada for petrographic examination.

Encom Technology Pty Ltd, an Australian based software and consultancy company (now Pitney Bowes Business Insight), engaged to help with the targeting of a future drill program on the combined Odin and Castro properties had presented its initial conclusions in October 2007. In January and March 2008 Encom delivered follow up presentations Vancouver and Toronto respectively. Encom have combined into a GIS database the ASTER satellite imagery specifically purchased for the project, Newmont's historic helicopter geophysical data (after reprocessing), Newmont's historic diamond drill hole results and the Newmont and Odin geochemical and geological databases.

During the first quarter of 2008 Encom acquired high resolution, SLAR (Side Looking Aperture Radar) satellite imagery over the Cangrejos area. As this is an active system, it is able to burn through the almost continuous

cloud cover that had prevented the successful acquisition of the Quickbird imagery initially specified.

The work initiated by Encom is now being continued by ASVI Technical Services Group Limited of Kuala Lumpur, Malaysia.

Although the environmental impact statement/management plan for the Greater Cangrejos project prepared on Odin's behalf by Terrambiente Consultores Limitada was not approved, as per the letter received on October 29, 2009, this was due to the fact that the new regulations now require additional information to be submitted in order to comply with new requirements. Terrambiente has informed us that it believes that it can be reasonably assumed that all the relevant information will be presented and approved within the 120 day time period prescribed.

South Plateado and North Plateado Project Area

Now that these two projects have been abandoned no detailed description is given. However, this information is still available in Management's Discussion and Analysis for the Year End December 31, 2008.

2. Selected Annual Information

The following table provides a brief summary of the Company's financial operations for each of the last three completed fiscal years. For more detailed information refer to the Company's audited financial statements for the specific periods.

	Year ended December 31, 2008	Year ended December 31, 2007	Year ended December 31, 2006
Non-cash stock-based compensation	\$ 160,828	\$ 33,289	\$ 87,831
Non-cash finance costs	-	417,919	-
Non-cash consulting fees	7,500	-	-
Allowance for uncollectable receivable	21,000	-	-
Allowance for impairment of assets	2,443,976	-	-
Other operating expenses	300,540	400,829	289,902
Loss from operations	(2,933,844)	(852,037)	(377,733)
Interest income	5,921	62,611	32,613
Foreign exchange gain (Loss)	(27,249)	217,097	(104,956)
Loss for the year	(2,955,172)	(572,329)	(450,076)
Basic and diluted earnings (loss) per share	(0.06)	(0.01)	(0.01)
Total assets	514,919	3,036,076	2,999,794
Total long-term liabilities	NIL	NIL	NIL
Cash dividends declared	NIL	NIL	NIL

3. Results of Operations

Significant expenditures and variations of expenditures incurred during the nine months ended September 30, 2009, as compared to the nine months ended September 30, 2008 include:

- **Consulting Fees – 2009: \$15,000 / 2008: \$8,232;** As agreed by the Board, during both years the Company paid \$30,000 annually to the Ecuador country manager as a fixed fee for general management of Odin resources in Ecuador during the year. The expense for 2008 was reduced due to the reversal of an accrual from a prior period.
- **Directors' Compensation – Fees 2009: \$NIL / 2008: \$19,600;** During 2008, due to the deterioration in the capital markets and in order to preserve cash, the directors agreed to eliminate cash payments for directors fees. During 2008 directors fees were accrued and subsequently settled by issuance of common shares.
- **Directors' Compensation – Stock-based compensation 2009: \$12,500 / 2008: \$NIL;** The increase in Directors' compensation – Stock-based compensation relates solely to the value of options vesting in 2009 of the June 2008 issuance of stock options to directors;
- **Management Fees – 2009: \$NIL / 2008: \$33,620;** During 2008 as part of the Company's cash preservation plan, management fees in Canada were suspended until there is more certainty in mining law in Ecuador and the Company is able to raise additional capital. The expense for 2008 is indicative of a typical six month period management fees expense.

- **Occupancy costs – 2009: \$NIL / 2008: \$22,423:** During 2008 as part of the Company’s cash preservation plan, the Company vacated its rented premise in Canada and established a small office in the home of a director at no cost to the Company. The expense for 2008 is indicative of a typical six month period occupancy expense.
- **Professional Fees – 2009: \$45,194 / 2008: \$51,548;** Professional fees are comprised of legal, audit and accounting fees paid and accrued. In 2009 the expense is comprised of legal fees of \$5,356 (2008 - \$20,458), audit fees \$22,500 (2008 - \$20,000) and accounting fees \$17,338 (2008 - \$6,576).
- **Wages and benefits: 2009; \$25,000 / 2008: \$52,154;** The reduction in wages and benefit expense reflects the reduction in salaried staff concurrent with the closing of the Company’s office during 2008 as part of the Company’s cash preservation plan.
- **Interest Income – 2009: \$15 / 2008: \$5,833;** During the first two quarters of 2008 the Company had significantly more funds on deposit than during the first two quarters of 2009.
- **Allowance for Impairment of Mineral properties – 2009: \$79,559 / 2008 \$NIL;** On April 18, 2008 the government of Ecuador passed a Mining Mandate to draft and implement a new mining law. This Mining Mandate superseded the existing mining law and international investment agreements under which mineral concessions were granted and investment were made and suspended all mining activity. In addition, the government cancelled certain mining concessions due to non-payment of patent taxes (which did not affect the Company) and indicated potential cancellation of certain mining concessions for late payment of patent taxes, including certain of the Plateado concessions owned or optioned by the Company which were subsequently cancelled.

In 2008, the Company was uncertain about the future of its operations in Ecuador and as a result, at December 31, 2008 the Company wrote-down its investment in Ecuador properties to a nominal value and as at September 30, 2009 wrote-off costs incurred during the six months then ended.

Summary of Quarterly Results

	September 30, 2009	June 30, 2009	March 31, 2009	December 31, 2008
Total Revenue	\$ -	\$ -	\$ -	\$ -
Net Income (Loss)	\$ (59,307)	\$ (73,807)	\$ (88,847)	\$ (2,645,927)
Basic and diluted loss per common share	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.10

	September 30, 2008	June 30, 2008	March 31, 2008	December 31, 2007
Total Revenue	\$ -	\$ -	\$ -	\$ -
Net Income (Loss)	\$ (34,345)	\$ (69,680)	\$ (205,220)	\$ (540,419)
Basic and diluted loss per common share	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00

4. Liquidity

The Company’s historical capital needs have been met by issuance of shares. As at September 30, 2009, the Company’s working capital deficiency was \$150,998 (December 31, 2008 – \$49,799 working capital). The Company proposes to meet any additional financing requirements through equity financing.

The Company’s cash position as at September 30, 2009 was \$112,583 (December 31, 2008 - \$136,148). The net decrease in cash position resulted from an increase due to advances from directors and reduced by \$162,447 of cash used in operating activities.

The Company has no long-term debt.

The Company does not have operations which generate cash flow and it is unlikely that it will generate cash flow in the foreseeable future.

Future cash requirements will depend primarily on the extent of future exploration programs. Subsequent phases will depend, both on cost and duration, and on results from previous phases, and it is therefore extremely difficult to predict future cash requirements. At the date of this report, the Company is sufficiently funded to

maintain its current properties in the near term but will require additional financing or proceeds from sale or joint venture of properties to complete exploration programs.

The Company is dependent on raising funds by the issuance of shares, loans from related parties or disposing of interests in its unproven mineral interests (by options, joint ventures or outright sales) in order to finance further acquisitions, undertake exploration and development of mineral interests and meet general and administrative expenses beyond one year in the future. There can be no assurance that the Company will be successful in raising their required financing.

The Company has limited financial resources and there is no assurance that additional funding will be available to allow the Company to fully explore its existing properties. Failure to obtain financing could result in delays or indefinite postponement of further exploration and the possible, partial or total loss of the Company's interest in certain properties. The Company may, in the future, be unable to meet its obligations under agreements to which it is a party and the Company may consequently have its interest in the properties subject to such agreements jeopardized. Furthermore, if other parties to such agreements do not meet their share of such costs, the Company may be unable to finance the costs required to complete recommended programs.

The Company's consolidated financial statements have been prepared on the basis of a going concern which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. Should the Company be unable to continue as a going concern, the realization of assets may be at amounts significantly less than carrying values. The continuation of the Company as a going concern is dependent on its ability to obtain additional equity capital to finance existing operations, attaining commercial production from its mineral properties, and attaining future profitable operations. These consolidated financial statements do not include any adjustments to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

5. Capital Resources

The Company's ability to raise additional funds from the equity markets will largely depend upon general market conditions, the Company's ability to achieve certain exploration milestones and its ability to acquire new properties.

Authorized Share Capital is 200,000,000 common shares without par value. Issued and outstanding common shares as at September 30, 2009 were 50,151,868 (December 31, 2008 - 49,782,141).

During the nine month period ended September 30, 2009, the following shares were issued:

- On January 30, 2009 the Company issued 180,532 common shares in settlement of \$7,500 of consulting fees due to a non resident director.
- On April 23, 2009 the Company issued 189,195 common shares in settlement of consulting fees due to a non resident director.

As at September 30, 2009, there were 375,000 share purchase warrants outstanding, exercisable at C\$0.30 per share until February 15, 2010.

As at September 30, 2009 the Company had 3,885,000 share purchase options outstanding, of which 3,728,750 are vested. This number was comprised of:

Exercise Price per share	Number Outstanding	Weighted Average Remaining Contractual Life (Years)	Number unvested - not exercisable	Number Vested - exercisable
C\$0.10	625,000	3.7	-	625,000
C\$0.20	65,000	3.2	-	65,000
C\$0.25	3,170,000	1.3	-	3,170,000
C\$0.30	25,000	2.5	-	25,000
	<u>3,885,000</u>	<u>1.8</u>	<u>-</u>	<u>3,885,000</u>

While there can be no guarantee that option holders will exercise their warrants, any such option exercises that do occur would provide additional funding to the Company.

6. Off-Balance Sheet Arrangements

The Company had no off-balance sheet arrangements.

7. Transactions with Related Parties

The following table summarizes the Company's related party transactions for the nine months ended September 30:

	<u>2009</u>	<u>2008</u>
Goods or services rendered by, or to, related parties:		
Consulting fee paid to a non-resident director for management of Ecuador operations	\$ 15,000	\$ 22,500 ¹
Fees paid to (recovered from) a company controlled by a director of the Company		
General and administration	\$ -	\$ 538
General and administration	\$ -	\$ (1,380)
Management fee	\$ -	\$ 23,396

These transactions are in the normal course of operations and are measured at the exchange value (the amount of consideration established and agreed to by the related parties), which approximates the arm's length equivalent value of services.

1 – The amount recorded on the statement of operations is net of a reversal of an accrual for a prior period.

Additional Information

During the three months ended September 30, 2009 the Company issued 369,727 common shares in settlement of \$15,000 of unpaid consulting fees, to a non resident Director.

8. Fourth Quarter

Not applicable

9. Proposed Transactions

The Company requires additional working capital to fund an exploration program on its Ecuador properties. On November 6, 2009 the Company announced a provisional non-brokered private placement for expected gross proceeds of \$1,480,000. To date, although there has been substantial informal interest in participating, due to ongoing negotiations with a 3rd party, which have now ceased, then the Company chose to delay closing the offering. The final form of the private placement remains subject to filing of Form 4B with the TSX Venture Exchange. This is expected by December 4.

The Company has no specific proposed acquisition transactions. However, consistent with the nature of the Company's operations, the Company is continuously reviewing potential mineral property acquisitions and is likely to acquire additional mineral properties in the future.

10. Critical Accounting Estimates

The Company's discussion and analysis of its financial condition and results of operations, including the discussion on liquidity and capital resources, are based on its financial statements that have been prepared in accordance with Canadian generally accepted accounting principles. The preparation of these financial statements requires management to make estimates and judgments that affect reported amounts of assets, liabilities, revenues and expenses, and related disclosure of contingent assets and liabilities. On an ongoing basis, management re-evaluates its estimates and judgments, particularly those related to the determination of the impairment of long-lived assets. Management bases its estimates and judgments on historical experience, contractual arrangements and commitments and on various other assumptions that it believes are reasonable in the circumstances. Changes in these estimates and judgments will impact the amounts recognized in the consolidated financial statements, and the impact may be material. Management believes significant estimates and assumptions include those related to the recoverability of mineral properties and deferred exploration expenditures, estimated useful lives of capital assets, determination as to whether costs are expensed or deferred and asset retirement obligations.

Critical accounting estimates used in the preparation of the financial statements include the assumption the Company is a going concern, recoverable value of its mineral properties, asset retirement obligations, valuation

of stock-based compensation and future income taxes. These estimates involve considerable judgment and are, or could be, affected by significant factors that are out of the Company's control.

Going Concern

The Company's consolidated financial statements have been prepared on the basis of a going concern which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The Company has experienced recurring losses, has not generated profitable operations since inception and as at September 30, 2009 has accumulated losses of \$26,856,156 since inception. Should the Company be unable to continue as a going concern, the realization of assets may be at amounts significantly less than carrying values. The continuation of the Company as a going concern is dependent on its ability to obtain additional equity capital to finance existing operations, attaining commercial production from its mineral properties, and attaining future profitable operations. These financial statements do not include any adjustments to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

Mineral Resource Properties

The Company records its interest in mineral resource properties at cost. Direct costs relating to the acquisition, exploration and development of mineral properties, less recoveries, are deferred until such time as the properties are either put into commercial production, sold, determined not to be economically viable or abandoned.

If the property is placed into production, deferred costs would be amortized over the estimated life of the mineral property. The deferred costs would be written off if the property is sold or abandoned. If it is determined that the carrying value of a property exceeds its net recoverable amount as estimated by management, or exceeds the selling value of the property, a provision is made for the decline in value and charged against operations in the year of determination of value.

The amounts shown for mineral resource properties and related deferred costs represent costs incurred to date, less write-offs and recoveries, and do not necessarily reflect present or future values of the particular properties.

Asset retirement obligations

The Company's exploration activities are subject to various laws and regulations for federal, regional and provincial jurisdictions governing the protection of the environment. These laws are continually changing. The Company believes its operations are in compliance with all applicable laws and regulations. In the future the Company may be liable for expenditures required to comply with such laws and regulations but cannot predict the amount or timing of such future expenditures. Estimated future reclamation costs are based principally on legal and regulatory requirements.

Stock-based compensation

The Company uses the fair-value based method to account for all stock-based payments. Fair value is calculated using the Black-Scholes option-pricing model, which require the input of highly subjective assumptions, including, expected price volatility, estimated timing of the exercise of the stock based instrument and a risk free discount rate. The fair value of the compensation cost is recorded as a charge to net earnings based over the vesting period with a credit to contributed surplus.

Future Income Taxes

The Company uses the asset and liability method of accounting for income taxes whereby future income tax assets are recognized for deductible temporary differences and operating loss carry-forwards and future income tax liabilities are recognized for taxable temporary differences. Future income tax assets and liabilities are adjusted for the effect of changes in tax laws and rates on the date of enactment or substantive enactment. The actual income tax rate that may be in effect at the time future income tax assets are realized or future income tax liabilities come due will depend upon the income tax rate(s) in effect at the time.

11. Changes in Accounting Policies, including initial adoption

Recently adopted accounting principles – Effective January 1, 2009, the Company adopted the following new Canadian Institute of Chartered Accountants ("CICA") accounting standards:

- a) **Goodwill and Intangible Assets:** The AcSB issued CICA Handbook Section 3064 which replaces Section 3062, Goodwill and Other Intangible Assets, and Section 3450, Research and Development Costs. This new section establishes standards for the recognition, measurement, presentation and disclosure of goodwill subsequent to its initial recognition and of intangible assets. Standards concerning goodwill remain unchanged from the standards included in the previous Section 3062. The section applies to interim and

annual financial statements relating to fiscal years beginning on or after October 1, 2008. Accordingly, the Company will adopt the new standards for its fiscal year beginning January 1, 2009. It establishes standards for the recognition, measurement, presentation and disclosure of goodwill subsequent to its initial recognition and of intangible assets by profit-oriented enterprises. Standards concerning the initial recognition of goodwill are unchanged from the standards included in the previous Section 3062. There was not impact on the Company's consolidated financial statements.

- b) Consolidated Financial Statements: Section 1601, Consolidated Financial Statements and Section 1602, Non-controlling Interests replaces Section 1600. Section 1601 establishes standards for the preparation of consolidated financial statements. Section 1602 establishes standards for accounting, for a non-controlling interest in a subsidiary in consolidated financial statements, subsequent to a business combination. Section 1602 is equivalent to the corresponding provisions of International Financial Reporting Standard IAS 27, Consolidated and Separate Financial Statements. These standards are effective for the Company for interim and annual financial statements beginning on January 1, 2011. Early adoption is permitted. There was no impact on the Company's consolidated financial statements.
- c) Business Combination: Section 1582, Business Combinations, which replaces Section 1581, Business Combinations, establishes standards for the accounting for a business combination. It is the Canadian GAAP equivalent to International Financial Reporting Standard IFRS 3, Business Combinations. This standard is effective for the Company for interim and annual financial statements beginning on January 1, 2011. Early adoption is permitted. There was no impact on the Company's consolidated financial statements.

Recently issued accounting pronouncements –

In February 2008, the CICA Accounting Standards Board (“AcSB”) confirmed that Canadian GAAP for publicly accountable enterprises will be converged with IFRS effective in calendar year 2011, with early adoption allowed starting in calendar year 2009. The conversion to IFRS will be required, for the Company, for interim and annual financial statements beginning on January 1, 2011. IFRS uses a conceptual framework similar to Canadian GAAP, but there are significant differences in recognition, measurement and disclosures. In the period leading up to the conversion, the AcSB will continue to issue accounting standards that are converged with IFRS such as IAS 2, Inventories, and IAS 38, Intangible assets, thus mitigating the impact of adopting IFRS at the mandatory transition date.

The Company is currently evaluating the impact of the adoption of IFRS on its consolidated financial statements. In the transition to IFRS, the Company must apply “IFRS 1 - First Time Adoption of IFRS” which sets out the rules for first time adoption. In general, IFRS 1 requires an entity to comply with each IFRS effective at the reporting date for the entity's first IFRS financial statements. This requires that an entity apply IFRS to its opening IFRS balance sheet as at January 1, 2010 (i.e. the balance sheet prepared at the beginning of the earliest comparative period presented in the entity's first IFRS financial statements).

Within IFRS 1 there are exemptions, some of which are mandatory and some of which are elective. The exemptions provide relief for companies from certain requirements in specified areas when the cost of complying with the requirements is likely to exceed the resulting benefit to users of financial statements. IFRS 1 generally requires retrospective application of IFRSs on first-time adoptions, but prohibits such application in some areas, particularly when retrospective application would require judgments by management about past conditions after the outcome of a particular transaction is already known.

On transition, management must apply the mandatory exemptions and make the determination as to which elective exemptions will be made under IFRS 1. Management is currently preparing its timetable for transition and will undertake a high level analysis of the financial statement areas to determine which elections will be taken. After this high level analysis is completed Management will be in a better position to assess the impact IFRS will have on the financial statements.

Management continues to assess the impact that IFRS will have on the aspects of the business including accounting policy, financial reporting, and information technology and communications perspective. Given that the Company is in the development phase, accounting policy determinations that will be made leading in the Company's production phase, such as revenue recognition, deferred stripping and diamond inventory costing to name a few examples, will be made during or post transition to IFRS. Management is also reviewing accounting systems and assessing the changes that will be required and the strategies that will be employed. Communication and training strategies are also being developed by management.

12. Disclosure and Internal Controls and Risk Factors

Internal Controls and Procedures

In contrast to the certificate required under National Instrument 52-109 *Certificate of Disclosure in Issuers' Annual and Interim Filings* (NI 52-109), the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("CD&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109, in particular, the certifying officers filing this certificate are not making any representation relating to the establishment and maintenance of:

- a. Controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
- b. A process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's generally accepted accounting policies.

The Company's certifying officers are responsible for ensuring processes are in place to provide them with sufficient knowledge to support the representations they are making in their certification.

Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement, on a cost effective basis, DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filing and other reports provided under securities legislation.

Risk Factors

In conducting its business, the Company, like all development-stage mineral exploration companies, faces a variety of risks uncertainties. While unable to eliminate all of them, the Company aims at managing and reducing such risks as much as possible.

Exploration and Development - Resource exploration and development is a highly speculative business, characterized by a number of significant risks including, but not limited to, unprofitable efforts resulting not only from the failure to discover mineral deposits but also from finding mineral deposits that, though present, are insufficient in quantity and quality to return a profit from production. Few exploration projects successfully achieve development due to factors that cannot be predicted or anticipated, and even one such factor may result in the economic viability of a project being detrimentally impacted such that it is neither feasible nor practical to proceed. The Company closely monitors its activities and those factors that could impact them, and employs experienced consulting to assist in its risk management and to make timely adequate decisions.

Title Risks - Title to mineral properties involves certain inherent risks due to the difficulties of determining the validity of certain claims, as well as the potential for problems arising from the frequently ambiguous conveyance history characteristic of many mineral properties.

Fluctuating Metal Prices - Factors beyond the control of the Company have a direct effect on global metal prices, which have fluctuated widely, particularly in recent years. Consequently, the economic viability of any of the Company's exploration projects and the Company's ability to finance the development of its projects cannot be accurately predicted and may be adversely affected by fluctuations in metal prices.

Environmental Regulations, Permits and Licenses - Environmental laws and regulation could also impact the viability of a project. The Company has ensured that it has complied with these regulations, but there can be changes in legislation outside the Company's control that could also add a risk factor to a project.

Operating in a foreign country has legal, political and currency risk that must be carefully considered to ensure their level is commensurate to the Company's assessment of the project.

Competition - The mineral exploration industry is intensely competitive in all its phases, and the Company competes with some companies that have greater financial and technical resources. Competition could adversely affect the Company's ability to acquire suitable properties or prospects in the future.

Future Financings - The Company's continued operation will be dependent in part upon its ability to generate operating revenues and to procure additional financing. To date, the Company has done so through a combination of: (i) equity financing; (ii) cash payments received as property option payments from third parties; (iii) the sale of junior company shares received as property option payments; and, (iv) profits from the

investment in and subsequent sale of junior company shares through its investment portfolio. The current state of global equity markets has had a direct effect on the ability of exploration companies, including the Company, to finance project acquisition and development through the equity markets. There can be no assurance that funds will be generated from the Company's current revenue sources or that other forms of financing can be obtained at a future date. Failure to obtain additional financing on a timely basis may cause the Company to postpone development plans, forfeit rights in some or all of the properties or joint ventures, or reduce or terminate some or all of the operations.

Price Volatility of Publicly Traded Securities - During the past year, global securities markets have experienced a high level of price and volume volatility, and the market prices of securities of many companies have experienced wide fluctuations in price that have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur.

13. Approval

The Board of Directors of Odin Mining and Exploration Ltd. have approved the disclosures contained in the Management Discussion and Analysis for the nine month period ended September 30, 2009, prepared as at November 27, 2009.

14. Other Information

Additional information relating to the Company can be found on the Canadian Securities Administrators' System for Electronic Document Analysis and Retrieval (SEDAR) database at www.sedar.com.



ODIN MINING AND EXPLORATION LTD.

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2009

UNAUDITED – PREPARED BY MANAGEMENT

ODIN MINING AND EXPLORATION LTD.
INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENED SEPTEMBER 30, 2009

Responsibility for financial statements

The accompanying interim consolidated financial statements for Odin Mining and Exploration Ltd. (the "Company") have been prepared by management in accordance with Canadian generally accepted accounting principles consistently applied. The most significant of these accounting principles have been set out in the annual December 31, 2008 audited financial statement. Only changes in accounting information have been disclosed in these interim consolidated financial statements. These interim statements have been presented on the accrual basis of accounting. Therefore estimates and approximations have been made using careful judgment. Recognizing that the Company is responsible for both the integrity and objectivity of the interim financial statements, management is satisfied that these interim consolidated financial statements have been fairly presented.

Auditor involvement

The Company's auditors, BDO Dunwoody LLP have not performed a review of the un-audited interim consolidated financial statements for the nine months period ended September 30, 2009.

(signed) Stephen W.C. Stow
Director

ODIN MINING AND EXPLORTION LTD.
(An exploration stage company)
CONSOLIDATED BALANCE SHEETS

(Expressed in U.S. Dollars)

	September 30, 2009	December 31, 2008
ASSETS		
Current		
Cash	\$ 112,583	\$ 136,148
Other receivables	23,120	63,505
Prepaid expenses and deposits	10,794	13,594
	146,497	213,247
Property & Equipment (Note 3)	287,005	301,671
Mineral Properties and Deferred Exploration (Note 4)	1	1
	\$ 433,503	\$ 514,919
LIABILITIES		
Current		
Accounts payable and accrued liabilities	\$ 158,613	\$ 163,448
Due to directors	138,882	-
	297,495	163,448
SHAREHOLDERS' EQUITY		
Share Capital (Note 5)	10,748,218	10,733,218
Contributed Surplus	16,303,253	16,290,753
Deficit	(26,915,463)	(26,672,502)
	136,008	351,469
	\$ 433,503	\$ 514,919

Approved by the Board of Directors:

"Stephen W.C. Stow"

Stephen W.C. Stow, Director

"Levi Giesbrecht"

Levi Giesbrecht, Director

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

ODIN MINING AND EXPLORTION LTD.
(An exploration stage company)
INTERIM CONSOLIDATED STATEMENTS OF OPERATIONS AND DEFICIT
(Expressed in U.S. Dollars)

	THREE MONTHS ENDED SEPTEMBER 30		NINE MONTHS ENDED SEPTEMBER 30	
	2009	2008	2009	2008
Expenses				
Amortization	\$ 4,889	\$ 3,692	\$ 14,666	\$ 10,957
Consulting fees		3,228	15,000	8,232
Directors compensation				
Fees (Note 7)	-	-	-	19,600
Stock-based compensation	-	-	12,500	-
General and administration	3,435	5,527	15,521	29,636
Insurance	3,844	5,037	13,830	15,795
Investor relations	-	-	-	905
Management fees (Note 7)	-	-	-	33,620
Occupancy	-	3,965	-	22,423
Professional fees (Note 7)	14,997	4,514	45,194	51,548
Wages and benefits	8,830	9,096	25,000	52,154
Allowance for impairment of mineral properties	24,371	-	79,559	-
	60,366	35,059	221,270	244,870
Loss before Other	(60,366)	(35,059)	(221,270)	(244,870)
Other				
Foreign exchange gain (loss)	1,059	557	(706)	(22,985)
Interest income	-	157	15	5,833
Net Loss for the Period	(59,307)	(34,345)	(221,961)	(262,022)
Deficit, Beginning Of Period	(26,856,156)	(24,013,230)	(26,693,502)	(23,738,330)
Deficit, End of Period	\$ (26,915,463)	\$ (24,047,575)	\$ (26,915,463)	\$ (24,000,352)
Basic and Diluted Loss per Share	\$ (0.00)	\$ (0.00)	\$ (0.00)	\$ (0.00)
Weighted Average Number of Common Shares Outstanding	50,151,868	49,705,632	50,053,718	49,022,592

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

ODIN MINING AND EXPLORTION LTD.
(An exploration stage company)
INTERIM CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
For the Nine Months Ended September 30
(Expressed in U.S. Dollars)

	SHARE CAPITAL		CONTRIBUTED SURPLUS	ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)		DEFICIT	TOTAL
	NUMBER	AMOUNT					
Balance, December 31, 2006	47,814,791	10,401,513	15,620,136	-	(23,166,001)	2,855,648	
Stock-based compensation (Note 5c)	-	-	42,038	-	-	42,038	
Fair value of modification of terms of share purchase warrants (Note 5d)	-	-	417,919	-	-	417,919	
Net loss and comprehensive loss for the year	-	-	-	-	(572,329)	(572,329)	
Balance, December 31, 2007	47,814,791	10,401,513	16,080,093	-	(23,738,330)	2,743,276	
Private placements (Note 5a)	1,250,000	253,486	39,764	-	-	293,250	
Shares for settlement of debt (Note 6)	640,000	70,719	-	-	-	70,719	
Shares issued for services (Note 6)	77,350	7,500	-	-	-	7,500	
Stock-based compensation (Note 5c)	-	-	170,896	-	-	170,896	
Net loss and comprehensive loss for the year	-	-	-	-	(2,955,172)	(2,955,172)	
Balance, December 31, 2008	49,782,141	\$ 10,733,218	\$ 16,290,753	\$ -	\$ (26,693,502)	\$ 330,469	
Shares issued for services (Note 6)	369,727	15,000	-	-	-	15,000	
Stock-based compensation (Note 5c)	-	-	12,500	-	-	12,500	
Net loss and comprehensive loss for the year	-	-	-	-	(221,961)	(221,961)	
Balance, September 30, 2009	50,151,868	\$ 10,748,218	\$ 16,303,253	\$ -	\$ (26,915,463)	\$ 136,008	

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

ODIN MINING AND EXPLORTION LTD.
(An exploration stage company)
INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in U.S. Dollars)

	THREE MONTHS ENDED SEPTEMBER 30		NINE MONTHS ENDED SEPTEMBER 30	
	2009	2008	2009	2008
Operating Activities				
Net loss for the period	\$ (59,307)	\$ (34,345)	\$ (221,961)	\$ (309,245)
Adjustments for items not affecting cash:				
Amortization	4,889	3,692	14,666	10,957
Stock-based compensation	-	-	12,500	-
	(54,418)	(30,653)	(194,795)	(298,288)
Changes in non-cash working capital items:				
Other receivables	758	(80)	19,385	(26,121)
Prepaid expenses and deposits	(9,109)	(15,167)	2,800	(5,145)
Accounts payable and accrued liabilities	9,897	30,296	10,163	(132,881)
	(52,872)	(15,604)	(162,447)	(462,435)
Financing Activities				
Issuance of share capital	-	3,227	-	368,305
Advances from directors	138,882	-	138,882	-
	138,882	3,227	138,882	368,305
Investing Activities				
Mineral property acquisition and expenditures	-	(44,123)	-	(675,574)
Equipment purchases	-	-	-	(17,206)
	-	(44,123)	-	(692,780)
Increase (Decrease) In Cash during the Period	86,010	(556,500)	(23,565)	(786,910)
Cash, Beginning Of Period	26,573	220,342	136,148	950,752
Cash, End of Period	\$ 112,583	\$ 163,842	\$ 112,583	\$ 163,842
<u>Supplemental Cash Flow Information</u>				
Interest Paid	\$ -	\$ -	\$ -	\$ -
Income Taxes Paid	\$ -	\$ -	\$ -	\$ -

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

ODIN MINING AND EXPLORTION LTD.
(An exploration stage company)
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2009
(Expressed in U.S. Dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN

Odin Mining and Exploration Ltd. (the "Company") was incorporated under the Business Corporation Company Act of British Columbia on March 22, 1988.

The Company is focused on the acquisition, exploration and development of mineral properties in Ecuador, where it holds mineral rights in the Cangrejos project. During the year ended December 31, 2008 the Company determined it would not proceed with further exploration of a its second the Plateado concessions.

The Company is considered to be in the exploration stage as it has not placed any of its mineral properties into production. The underlying value of the Company's mineral properties is dependent upon the existence and economic recovery of such reserves in the future and the ability of the Company to raise financing to complete the future exploration and development of the properties, including meeting option payment requirements as they fall due (Note 4). In addition, the properties may be subject to sovereign risk, including political and economic stability, government regulations relating to mining which may delay the receipt of required permits or impede the Company's ability to acquire the necessary surface rights, currency fluctuations and local inflation. These may adversely affect the mineral property interests and may result in the impairment or loss of all or part of the Company's mineral property interests (See Note 4). The Company has a working capital deficiency of \$150,998 as at September 30, 2009 (net working capital of \$28,797 as at December 31, 2008).

While these consolidated financial statements have been prepared on the assumption that the Company is a going concern and will be able to realize its assets and meet its obligations in the normal course of operations, there are conditions and events that cast significant doubt on the validity of that assumption. As at September 30, 2009, the Company has an accumulated deficit of \$26,915,463, (as at December 31, 2008 - \$26,693,502) incurred a loss of \$221,961 for the nine months ended September 30, 2009 (year ended December 31, 2008 - \$2,955,172) and had cash outflows from operations of \$162,447 for the nine months ended September 30, 2009 (for the year ended December 31, 2008 - \$310,125) and a history of losses from operations. The Company's ability to continue as a going concern is dependent on management's ability to raise required funding through future equity issuances, asset sales or a combination thereof. These consolidated financial statements do not include any adjustments to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary, should the Company be unable to continue as a going concern. Such adjustments could be material.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

These un-audited interim consolidated financial statements follow the same accounting policies as our most recent audited annual consolidated financial statements as at December 31, 2008. They do not contain all the information required for annual financial statements and should be read in conjunction with the annual consolidated financial statements. In the opinion of management, all of the adjustments necessary to fairly present the interim consolidated financial statements set forth herein have been made.

Basis of consolidation

These consolidated financial statements include the accounts of the Company and its wholly-owned Ecuador incorporated subsidiaries Odin Mining Del Ecuador S.A and Prominas SA. All inter-company transactions and balances have been eliminated on consolidation.

ODIN MINING AND EXPLORTION LTD.
 (An exploration stage company)
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2009
 (Expressed in U.S. Dollars)

3. PROPERTY AND EQUIPMENT

	September 30, 2009		December 31, 2008	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Land	\$ 250,000	\$ -	\$ 250,000	\$ -
Computers and equipment	41,448	25,650	41,448	18,562
Automotive	50,521	29,314	50,521	21,736
	\$ 341,969	\$ 54,964	\$ 341,969	\$ 40,298
Net Book Value		\$ 287,005		\$ 301,671

During the year ended December 31, 2008 a provision for impairment of the value of the land, in the amount of \$600,900, was charged to operations.

4. MINERAL PROPERTIES AND DEFERRED EXPLORATION

The Company has entered into a number of agreements to acquire mining concessions or options to acquire mining concessions in Ecuador, as detailed below. The Company has expended \$1,922,633 on these mining concessions, for option payments, acquisition costs, property maintenance costs, environmental studies and preliminary geological work.

On April 18, 2008 the government of Ecuador passed a Mining Mandate to draft and implement a new mining law. This Mining Mandate superseded the existing mining law and international investment agreements under which mineral concessions were granted and investment were made. In addition, the government cancelled certain mining concessions due to non-payment of patent taxes (which did not affect the Company) and indicated potential cancellation of certain mining concessions for late payment of patent taxes, including certain of the Plateado concessions owned or optioned by the Company which were subsequently cancelled.

In January 2009, a new Mining Law for Ecuador was published in the State's Official Register, thereby becoming law. Effective with the passing of the law the Mining Mandate is no longer valid. The new Mining Law contains articles which are contradictory and vague. These uncertainties were clarified in the Regulations published November 4, 2009.

Prior to November 4, 2009 the Company was uncertain about the future of its operations in Ecuador and as a result, at December 31, 2008 the Company wrote-down its investment in Ecuador properties to a nominal value and as at September 30, 2009 wrote-off costs incurred during the nine months then ended.

The following is a summary of the Company's Ecuador properties:

a) Cangrejos Project

The Company controls 10 separate mineral titles located near Machala South West Ecuador. The mineral rights payments related to those concessions in 2008 amounted to \$72,769 (2007 - \$62,775). The 2009 annual mineral rights renewal payments amounting to \$22,144 have been paid during the current fiscal year.

ODIN MINING AND EXPLORTION LTD.
(An exploration stage company)
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2009
(Expressed in U.S. Dollars)

4. MINERAL PROPERTIES AND DEFERRED EXPLORATION - Continued

b) Castro Concessions

In addition to the above mineral titles, on September 20, 2007, the Company entered into an option agreement to acquire a mining right in the contiguous Castro concessions. The agreement calls for the following mineral rights payments:

December 31, 2007	\$ 80,000 (paid)
September 20, 2008	80,000 (not paid due to force majeure)
September 20, 2009	180,000 (not paid due to force majeure)
March 20, 2010	660,000
March 20, 2011	<u>1,000,000</u>
	<u>\$ 2,000,000</u>

The agreement also calls for the Company to spend no less than \$500,000 on the properties within 2 years from September 20, 2007. To accommodate the impact of the imposition of the Mining Mandate, the optionor has verbally agreed to allow deferral of payments until new mining law has full force and effect.

The Company has purchased various small local farms in the area of its Cangrejos properties of strategic value representing important surface rights over which it has mineral rights, and access to.

c) Plateado Project

The Company had 14 separate mineral titles as at December 31, 2008 in two areas referred to Plateado Souths and Plateado North respectively, both in Eastern Ecuador.

During 2008 the Company entered into an agreement with a private exploration company over 2 concession areas. Under the agreement, the counterparty had the option to earn up to 70% interest in the property provided they incur \$1,600,000 in exploration expenditure and maintain the annual mineral rights payments. As a result of the Mining Decree issued by the Government of Ecuador, the counterparty confirmed it was invoking the contractual force majeure clause, thereby effectively suspending the agreement.

During the period ended December 31, 2008, due to the cancellation of the core of the Plateado concessions by the Ecuador Government, the Company abandoned all of its interest in the Plateado Project.

ODIN MINING AND EXPLORTION LTD.
(An exploration stage company)
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2009
(Expressed in U.S. Dollars)

4. MINERAL PROPERTIES AND DEFERRED EXPLORATION - Continued

2009 Expenditures	CANGREJOS PROPERTIES				PLATEADO PROPERTIES		TOTAL
	Cangrejos Concessions		Castro Concessions		Office	Field	
	Office	Field	Office	Field			
Balance at December 31, 2008	\$ -	\$ 1	\$ -	\$ -	\$ -	\$ -	\$ 1
Expenditures capitalized in 2009							
Mineral rights	-	22,793	549	-	-	-	23,342
Legal fees	9,763	-	-	-	-	-	9,763
General expenses	20,370	17,598	1,716	-	-	-	39,684
Geological consulting (Note 5c)	-	-	-	-	-	-	-
Geological staff	-	6,767	-	-	-	-	6,767
Assays	-	-	-	-	-	-	-
2009 expenditures capitalized	30,133	47,158	2,265	-	-	-	79,556
Allowance for impairment	(30,133)	(47,158)	(2,265)	-	-	-	(79,556)
Balance at September 30, 2009	\$ -	\$ 1	\$ -	\$ -	\$ -	\$ -	\$ 1

2008 Expenditures	CANGREJOS PROPERTIES				PLATEADO PROPERTIES		TOTAL
	Cangrejos Concessions		Castro Concessions		Office	Field	
	Office	Field	Office	Field			
Balance at December 31, 2007	\$ 235,513	\$ 357,620	\$ 16,257	\$ 180,066	\$ 148,605	\$ 436,972	\$ 1,981,033
Expenditures capitalized in 2008							
Mineral rights	-	25,110	-	2,888	-	44,277	72,275
Legal fees	-	11,028	-	-	-	-	11,028
General expenses	25,041	-	4,758	76,441	699	-	106,939
Geological consulting (Note 5c)	-	27,654	4,539	63,259	1,568	10,625	107,645
Geological staff	2,465	-	2,466	89,967	-	-	94,898
Assays	-	8,134	-	28,643	-	3,3995	40,176
2008 expenditures capitalized	27,506	161,926	11,763	261,198	2,267	58,301	677,861
Balance at September 30, 2008	\$ 263,019	\$ 519,546	\$ 28,020	\$ 441,264	\$ 150,872	\$ 495,273	\$ 2,658,894

ODIN MINING AND EXPLORTION LTD.
(An exploration stage company)
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2009
(Expressed in U.S. Dollars)

5. SHARE CAPITAL

a) Authorized

The Company's authorized capital consists of 200,000,000 (December 31, 2008 – 200,000,000) common shares without par value

b) Issued

On January 30, 2009 the Company issued 180,532 common shares in settlement of \$7,500 of consulting fees due to a director.

On April 23, 2009 the Company issued 189,195 common shares in settlement of \$7,500 of consulting fees due to a director.

c) Stock Options

The Company has established an Incentive Share Option Plan for directors, officers, employees and consultants, enabling them to purchase common shares. The total number of options outstanding at any time cannot exceed 10% of the total number of outstanding common shares. The number of options granted to any individual shall not exceed 5% of the issued and outstanding shares of the Company from time to time. The number of options granted to consultants or investor relations consultants shall not exceed 2% of the issued and outstanding shares of the Company from time to time. The number of options granted to insiders shall not exceed 10% of the issued and outstanding shares of the Company from time to time. Each option granted under the plan is for a maximum term of five years. The exercise price of the options granted under the plan is established by the Board of Directors of the Company and cannot be less than the Discounted Market Price as calculated and defined in accordance with the policies of the TSX Venture Exchange. The options vest 25% on the date of grant and 25% every three months thereafter, except for options issued to employees or consultants conducting investor relations vest in stages over 12 months with no more than one-quarter of the Options vesting in any three month period.

The following table summarizes stock option activity for the period ending September 30, 2009 and prior:

	Number	Exercise Price
Balance, December 31, 2007	3,245,000	C\$0.25
Option granted	640,000	C\$0.10 - C\$0.20
Balance, December 31, 2008 and September 30, 2009	<u>3,885,000</u>	<u>C\$0.23</u>

Weighted average exercise price C\$0.23

The following table summarizes information relating to stock options outstanding and exercisable at September 30, 2009:

Exercise Price per share	Number Outstanding	Weighted Average Remaining Contractual Life (Years)	Number unvested - not exercisable	Number Vested - exercisable
C\$0.10	625,000	3.7	-	625,000
C\$0.20	65,000	3.2	-	65,000
C\$0.25	2,520,000	0.9	-	2,520,000
C\$0.25	650,000	3.1	-	650,000
C\$0.30	25,000	2.5	-	25,000
	<u>3,885,000</u>	<u>1.8</u>	<u>-</u>	<u>3,885,000</u>

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5. SHARE CAPITAL - Continued

d) Warrants

A summary of the Company's outstanding share purchase warrants at March 31, 2009 and the changes during the prior periods is presented below:

	Number of warrants	Exercise price
Warrants outstanding, December 31, 2007	6,490,821	C\$0.25
Warrants issued	625,000	C\$0.25 - \$0.30
Warrants expired	6,740,821	C\$0.25
Warrants outstanding, December 31, 2008 and September 30, 2009	375,000	C\$0.30

6. RELATED PARTY TRANSACTIONS AND BALANCES

Transactions and balances with related parties conducted in the normal course of operations are recorded at the exchange value as summarized below:

	September 30, 2009 (9 Months)	September 30, 2008 (9 Months)
Goods or services rendered by, or to, related parties:		
Consulting fee paid to a non-resident director in charge of Ecuador operation	\$ 15,000	\$ 8,232 ¹
Fees paid to (recovered from) a company controlled by a director of the Company		
General and administration	\$ -	\$ (9,512)
General and administration	\$ -	\$ 898
Management fee	\$ -	\$ 33,620

Transactions with related parties conducted in the normal course of operations are recorded at the exchange value, being the price agreed to between the parties.

During the nine months ended September 30, 2009 the Company issued 369,727 common shares in settlement of \$15,000 of indebtedness to a non-resident director in charge of the Ecuador operation, for unpaid consulting fees.

1 - The amount recorded on the statement of operations is net of a reversal of an accrual for a prior period.

7. COMMITMENTS

The Company is required to make annual mineral rights payments in order to maintain its title to its mineral properties.

8. SEGMENTED INFORMATION

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

9. CAPITAL MANAGEMENT

The Company manages its capital structure and makes adjustments, based on the funds available to the Company, in order to support the acquisition, exploration and development of resource properties and to safeguard the Company's ability to continue as a going concern. The Board of

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Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain the future development of the business.

9. CAPITAL MANAGEMENT - Continued

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

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the period ended September 30, 2009. The Company is not subject to externally imposed capital requirements.

The Company's investment policy is to invest its cash in low risk highly liquid short- term interest bearing investments, selected with regards to the expected timing of upcoming expenditures. The Company expects its current capital resources will be sufficient to carry its exploration and development plans and operations through its current operating period.

10. MANAGEMENT OF FINANCIAL RISK

The Company's financial instruments are exposed to certain financial risks. The risk exposures and the impact on the Company's financial instruments are summarized below.

Foreign Currency Risk

The Company's functional currency is the United States dollar. However, the Company is exposed to the currency risk related to the fluctuation of foreign exchange rates as some of the Company's operations are located in Canada and it raises its equity capital in Canada, in Canadian dollars. The Company also has liabilities denoted in Canadian dollars. A significant change in the currency exchange rates between the United States dollar relative to the Canadian dollar could have an effect on the Company's results of operation, financial position or cash flows. The Company has not hedged its exposure to currency fluctuations.

Interest rate and credit risk

The Company has cash balances and no interest-bearing debt. The Company has no significant concentrations of credit risk arising from operations. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by reputable financial institutions with which it keeps its bank accounts. Management believes the risk of loss to be remote. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks. Accounts and other receivable consist of goods and services tax due from the Federal Government of Canada. Management believes that the credit risk concentration with respect to receivables is remote.

Liquidity Risk

The Company manages liquidity risk by maintaining sufficient cash and cash equivalent balances. Liquidity requirements are managed based on expected cash flows to ensure that there is sufficient capital in order to meet short term obligations. As at September 30, 2009, the Company had a cash balance of \$112,583 (December 31, 2008 - \$136,148) to settle current liabilities of \$297,495 (December 31, 2008 - \$163,448). In order to meet its obligations as they come due the Company will have to either complete a financing, obtain the financial support of shareholders and/or management or have creditors agree to defer all or part of them amounts due.

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10. MANAGEMENT OF FINANCIAL RISK - Continued

Commodity Price risk

The Company's ability to raise capital to fund exploration or development activities may be subject to risks associated with fluctuations in the market prices of gold and silver. The Company closely monitors commodity prices to determine the appropriate course of action to be taken by the Company.

Sensitivity analysis

The Company has designated its cash and cash equivalents as held-for-trading, which are measured at fair value with all gains and losses included in net loss in the period in which they arise. Accounts receivable are classified as loans and receivables, which are measured at amortized cost. Accounts payable and accrued liabilities are classified as other financial liabilities, which are measured at amortized cost.

As of September 30, 2009, the carrying amount of accounts receivable and payable equals fair market value. Based on management's knowledge and experience of the financial markets, the Company believes the following movements are "reasonably possible" over a three month period:

- Cash and cash equivalents include deposits which are at variable interest rates. Sensitivity to a plus or minus 1% change in rates would affect net loss by \$Nil.
- The Company holds balances in foreign currencies to give rise to exposure to foreign exchange risk. However, the balances are minimal and therefore the exposure to foreign exchange risk is very low.
- Price risk is remote since the Company is currently not a producing entity.

11. RESTATEMENT OF PRIOR PERIOD

The previously issued interim consolidated financial statements for the nine months ended September 30, 2008 included finance cost expense in the amount of \$47,223. The amount included share issue costs of \$39,764 (reallocated and netted against share capital) and \$7,459 being the fair value of the warrant component of a Unit Offering completed during the period (reallocated to contributed surplus).

Comparative amounts have been restated to conform with current presentation.