

## **Form 51-102F1**

### **Management's Discussion and Analysis of Financial Position and Results of Operations**

#### **Quarter Ending –March 31, 2007**

##### **General**

The following information, prepared as of May 28, 2007, should be read in conjunction with the unaudited consolidated financial statements of Odin Mining and Exploration Ltd. (the "Company") for the year ended March 31, 2007, as well as the audited consolidated financial statements for the year ended December 31, 2006 and the related management's discussion and analysis (the "Annual MD&A"). All amounts are expressed in US dollars unless otherwise indicated.

##### **Forward-Looking Information**

This quarterly management discussion and analysis ("Quarterly MD&A") contains certain forward-looking statements and information relating to the Company that are based on the 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 Quarterly MD&A.

##### **Description of Business, Operations and Financial Condition**

The Company's business continues to be to focus on exploration opportunities and to carry out early-stage mineral exploration on properties offered to Odin and identified by management as having realistic discovery potential. If early stage exploration proves fruitful, the Company will then decide at what stage in project development to seek joint venture partners to fund further exploration and to add partners' expertise, or whether to proceed to development without reliance on partners.

The Company's exploration activities can now be considered as consisting of three projects. The South Plateado and North Plateado projects in the south-east of Ecuador are targeting epithermal/mesothermal gold mineralisation and porphyry-style copper-gold-molybdenum mineralisation respectively, and the Cangrejos project in the south-west of the country is targeting porphyry-style gold-copper mineralisation. During the quarter Odin was awarded one new concession in Plateado South project area adjoining the western side of the Los Planes target. Consequently, the concessions that Odin held under title through its two Ecuadorian operating companies as of the end of the March 2007 quarter are as summarized in Table 1 below.

<b>Project Area</b>	<b>Concessions Held</b>	<b>Area (ha)</b>
Plateado South	8	7,495
Plateado North	6	19,710
Cangrejos	11	7,799
<b>TOTALS</b>	<b>24</b>	<b>35,004</b>

Table 1: Summary of Odin’s concession holdings at end March 2007

Fieldwork was carried out during the quarter only on the Los Planes target in the South Plateado project area. Both the North Plateado and Cangrejos projects are on standby. The restarting of fieldwork at North Plateado is dependent on the resolution of access issues with the local indigenous communities and at Cangrejos it is dependent on the successful outcome to ongoing negotiations with one or more of the adjacent concession holders.

In November 2006 the Company engaged Mr Armando Carvajal, a senior Ecuadorian geologist, on a 12-month contract after employing him on a series of short-term contracts throughout the year. Mr Carvajal is very well known to the Company having worked for Odin for eight years prior to Odin’s decision to suspend field activities at the end of 1997. Mr Carvajal was in direct charge of all Odin’s fieldwork carried out during 2006 under the direction of Mr Michael Potter, MSc, MBA, MAusIMM, MIMMM, an independent geological consultant. Mr Potter acts as the “qualified person” in terms of NI 41-101 for the geological work described.

## **1. South Plateado Project Area**

### ***1a. Los Planes Target***

The fieldwork carried out in 2004 on the Los Planes target located anomalous gold and arsenic soil values on nearly all lines in two relatively small (32 ha and 64 ha) gridded areas located 1.5 km apart. These grids are located within a NNE trending, 4000m x 700m (approx 300ha), +15 ppb gold anomaly as interpreted from the results of reconnaissance, ridge and spur soil sampling carried out in 1997 by Cambior Inc. (“Cambior”). At that time Cambior was Odin’s joint venture partner in the project. This large, low-value soil anomaly contains several, abandoned, artisanal gold workings, where narrow, low-sulphide, epithermal/mesothermal quartz veins hosted by andesites of the Misahualli formation have historically given localized spot grades up to 105 g/t.

The anomalous values are difficult to correlate between lines, and soil creep in the steep terrain has almost certainly complicated the situation. The exposed veins found were low-grade (5.5 g/t Au max.), rather variable in thickness and lacking in lateral continuity. The associated alteration tends to be weak, sporadically developed and of low tenure. However, while the exposures so far seen do not themselves constitute a significant body of mineralization, they may represent geochemical leakage from something more substantial at depth.

In October 2006 Odin started the top-of bedrock soil sampling on a 320 m x 10 m grid cut to infill the area between the area between the two grids cut and sampled in 2004. The third and last field entry required to complete this work was finished in late January 2007. M Potter made a field visit to the project during the same month and resampled a number of sites to check on the quality of the work being undertaken.

The minus 80 mesh (sub 180 micron) fraction of each soil sample was analysed by ACME Analytical Services Limited in Vancouver for gold, arsenic and 34 other elements using the ICP-MS (inductively coupled plasma-mass spectrometry) technique for gold, arsenic and 34 other elements after an aqua-regia leach on a 30 gm aliquot. Table 2 below summarizes the results obtained for gold and arsenic for all the systematic samples collected during the various entries.

AREA element	percentile				
	min	10%	50%	90%	Max
RECCE GRID (part 1: Oct/Nov 2006 -200 samples)					
Au (ppb)	1	5	24	140	417
As (ppm)	3	8	34	161	1777
RECCE GRID (part 2: Dec 2006 - 455 samples)					
Au (ppb)	<0.5	2	14	88	4324
As (ppm)	<0.5	3	19	126	6153
RECCE GRID (part 3: Jan 2007 - 402 samples)					
Au (ppb)	<0.5	2	9	85	5444
As (ppm)	<0.5	3	23	317	3234
<b>TOTAL RECCE GRID [part 1+2+3] (1057 samples)</b>					
<b>Au (ppb)</b>	<b>&lt;0.5</b>	<b>3</b>	<b>14</b>	<b>100</b>	<b>5444</b>
<b>As (ppm)</b>	<b>&lt;0.5</b>	<b>3</b>	<b>23</b>	<b>193</b>	<b>6153</b>

Table 1 Los Planes: Summary of top-of-bedrock soil sampling results (-80 mesh fraction)

Anomalous gold (>100 ppb Au) and anomalous arsenic (>100 ppm As) occur on all lines sampled over a strike length of 3500 m. The anomalous arsenic values correlate closely in space with the anomalous gold values. However, the arsenic values tend to have a more consistent and extensive distribution than the gold values. At the wide spacing used detailed correlation of anomalies from line to line for both gold and arsenic is uncertain. Hill creep on the steep (to 45°), often forested terrain, and the narrow widths of the quartz veins and veinlets targeted further complicate the situation.

The main concentrations of higher values are still within the areas of the grids sampled in 2004. However, obvious arsenic and gold anomalies are clearly present on the lines immediately south and north of the northern grid sampled in 2004 and on the line immediately north of the southern grid sampled in 2004. This indicates a potential for further infill sampling to extend these known anomalies. Furthermore, a new arsenic anomaly seems to be developing on the northernmost two lines. However, the associated gold values obtained to date are relatively subdued.

In February 2007, the field crews started a programme of geological mapping, rock sampling and stream sediment sampling along the creeks around the main soil anomalies in order to obtain additional evidence as to the distribution of gold in the bedrock. All samples are being sent to Acme Analytical Services Limited in Vancouver. The minus 80 mesh (sub 180 micron) fraction of the stream sediments are being analysed in the same manner as the soil samples above. However, after crushing and pulverizing the rock samples are being analysed for gold by fire assay on a 30 gm sub-sample and for 29 other elements by ICP-ES on a 0.5 gm sub-sample. The results from the first 120 rock samples from in and around the northern Los Planes grid and the area to the north are summarized in Table 3.

AREA / sample type element	<u>Mean</u>		<u>Min</u>		<u>Max</u>	
	2004	2007	2004	2007	2004	2007
<b>A. ROCKS FROM STREAMS IN NORTH LOS PLANES ANOMALY</b>						
<b>Quartz veins</b>						
<i>number of samples</i>	16	31				
<b>Au (g/t)</b>	<b>1.0</b>	<b>2.1</b>	0.1	0.1	5.5	10.0 (cut)
<b>Ag (g/t)</b>	<b>1.5</b>	<b>2.3</b>	0.1	<0.3	4.7	10.0 (cut)
<b>As ppm</b>	<b>1600</b>	<b>1900</b>	200	71	5100	8700
<b>Altered wallrock</b>						
<i>number of samples</i>	34	67				
<b>Au (g/t)</b>	<b>0.3</b>	<b>0.3</b>	0.01	<0.01	1.2	1.4
<b>Ag (g/t)</b>	<b>0.5</b>	<b>0.6</b>	0.1	<0.3	2.3	3.4
<b>As ppm</b>	<b>840</b>	<b>880</b>	130	80	2200	3300
<b>B. ROCKS FROM STREAMS TO NORTH-EAST OF NORTH LOS PLANES ANOMALY</b>						
<b>Altered wallrock</b>						
<i>number of samples</i>	<i>nil</i>	22				
<b>Au (g/t)</b>		<b>0.4</b>		<0.01		1.5
<b>Ag (g/t)</b>		<b>1</b>		<0.3		4.7
<b>As ppm</b>		<b>740</b>		2		4200

Table 3: Initial rock sample results along stream beds from Los Planes

The rock results obtained this year from the sampling of creek exposures around the northern Los Planes anomaly, when taken overall, are somewhat better than those obtained during the 2004 sampling exercise along the grid lines. However, this year's sampling tended to concentrate on narrow structures of around 0.1 m width whereas the 2004 samples were more general with widths usually in the range 1-2 m. Nevertheless, this year's sampling did return three values greater than 10 g/t gold, namely 16.3 g/t (check = 20.6 g/t) from ODN 3549, 17.6 g/t (check = 21.2 g/t) from ODN 3532 and a spectacular 920 g/t (check = 813 g/t) from ODN 3498.

Although the results from the two streams in the area to the north and north-east of the northern Los Planes anomaly are poorer than those from the main anomaly, sporadic values to about 1 g/t (over 0.4 m) are still being obtained over 1 km away from that anomaly. Sampling, geological mapping and stream sediment sampling are continuing in the streams to the south of the northern Los Planes anomaly.

These rock results are considered to continue to be consistent with the hypothesis that the gold-arsenic mineralisation exposed at the surface at Los Planes may represent geochemical leakage from a more

substantial body of higher-grade, vein-type mineralisation at depth. In order to optimize the fieldwork at Los Planes and on the other South Plateado targets, in April 2007 Odin contracted Encom Technology Pty Ltd of Australia to carry out a review of all the information obtained so far on the South Plateado project area to be superimposed onto a base of satellite imagery interpretation.

### ***1b. Sangola Target***

The detailed stream sediment sampling, geological mapping and rock sampling scheduled for 2006 for the Sangola gold anomaly located 20 km to the NNE of the Los Planes anomaly was not carried out because of the emphasis on the work at Los Planes. However, the company expects that this work will now be carried out in 2007.

## **2. North Plateado Project Area**

The North Plateado project area lies about 50 km to the NNE of the South Plateado project area. North Plateado contains two potential porphyry-style targets at Shamataka (Au-Cu) in the south and Las Orquideas (Cu-Mo) in the north. No fieldwork was carried out on either of these properties during 2004, 2005 or 2006 because of uncertainties about access and environmental issues resulting from the inclusion of all the Shamataka target and much of the Las Orquideas target within the Nangaritzza Protected Forest on ground controlled by indigenous peoples.

The Company had regarded North Plateado as its priority area for fieldwork in 2006/7. However, in July 2006 a company representative attended a meeting with delegates of the local indigenous communities in the area to seek permission to enter the ground under their control in order to recommence exploration activities. The assembly unanimously voted to deny access to their ground to all mining and exploration companies. The Company is now refocusing its efforts on Greater Cangrejos.

## **3. Cangrejos Project Area**

This 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.

On June 30, 2004 the Company filed a NI 43-101 report with respect to the original 4,756 ha property. This report was prepared by an independent geological consultant, Mr Michael Potter, MSc, MBA, MIMMM, MAusIMM, a "qualified person" for the purposes of NI 43-101. The summary of the report is produced below.

*"The 4756 ha Cangrejos property of Odin Mining in south-western Ecuador is considered to be highly prospective for porphyry-type Au-Cu mineralization related to Miocene age intrusives.*

*From 1994 to 2001 the property was part of a larger exploration project, the El Joven Joint Venture, formed between the Company (40%) and Newmont Overseas Exploration Limited (60%). The objective of the joint venture was to locate the hard-rock source of the alluvial gold produced by the Company from the Biron mine (69 000 oz Au recovered). Newmont, who had acted as operator, withdrew from the joint venture in 2001 and transferred the concessions described here to the Company.*

*The Cangrejos prospect covers parts of a large Au-Cu porphyry system located by the El Joven Joint Venture. Newmont tested the mineralization on the Company's ground with thirteen diamond drill holes. Seven of these holes returned intersections greater than 70 m at a 0.5 g/t Au cut-off. The best hole gave 192 m at 1.6 g/t Au (plus 0.2% Cu).*

*The gold and copper mineralization is associated with 1-2 % sulphides (usually chalcopyrite), pervasive hydrothermal alteration (most notably silica flooding), brecciation and minor multi-directional quartz veinlets in an area of structural intersections and intrusive andesites within a Miocene quartz-diorite.*

*The mineralization within the drilled area when combined with what may be found under other anomalies on the property, especially that at Dos Bocas, may be sufficient to support a large-scale (5-15Mt/y), multi-pit, open-cut mining and milling operation.*

*A programme of check soil sampling and geological mapping followed by 20 scout diamond drill holes totalling 5000 metres is proposed to test the potential of the geochemical anomalies away from the area already drilled. One rig would be expected to complete the drilling in about 5 months. However, the total work programme could take 10 months and cost about CND\$ 2.0 million (US\$ 1.6 million).*

The Company carried out low-key exploration work on the property during 2006 in order to provide information that will be of value in the detailed planning of a major exploration programme, if and when the negotiations with the neighbouring concession holders are brought to a successful conclusion. The Company also rehabilitated most of the major elements of the base camp that it took over when Newmont left the El Joven joint venture in 2001.

On 08 May 2007 Odin announced that it had signed a “binding letter of Agreement with Mr Francisco Castro Sanchez to purchase a 100% ownership interest in certain mineral concessions in south-western Ecuador comprising approximately 500 hectares, including surface rights to some 268 hectares.” This property infills the area along the eastern boundary of Odin’s Los Cangrejos concession between the Paloma/Trinchera mineralised trend drilled by Newmont in 1999/2000 and the Dos Bocas anomaly resampled by Odin in 2006. The area is therefore a key element in reconstructing the Greater Cangrejos property position as it existed at the time of the El Joven joint venture with Newmont. As a result of this agreement Odin has instructed Enron Technology Pty Ltd of Australia to prepare a similar review study to that currently being carried out at South Plateado in order to optimize the focus of renewed fieldwork within the Cangrejos project area.

## **General Performance**

As at March 31, 2007, the Company had total assets of \$2,927,864 which was a decrease of \$71,930 from December 31, 2006. The decrease in assets is primarily attributable to the net operating loss recorded for the first quarter of 2007.

## **Results of Operations**

The Company has not generated any operating revenues for the past 5 years. The operating losses recorded for the first quarter of 2007 and 2006 are:

	<b>2007</b>	<b>2006</b>
Normal operating expenses	\$ 67,361	\$ 49,820
Stock-based non cash stock option expense	<u>0</u>	<u>35,202</u>
Total	<u>\$ 67,361</u>	<u>\$ 85,022</u>

The majority of the 2007 first quarter losses are made up of \$17,162 for director’s fees, \$19,279 for management fees, general and administration expenses for \$11,275, \$10,534 for professional fees and \$11,821 for office wages.

## Selected Annual Information

Years	2006	2005	2004	2003
Total revenues	\$nil	\$nil	\$nil	\$nil
Net (loss)	(\$450,076)	(\$326,056)	(\$396,100)	(\$341,899)
Net (loss) per share (Basic and fully diluted) <sup>(1)</sup>	(\$0.01)	(\$0.01)	(\$0.01)	(\$0.01)
Total Assets	\$2,999,794	\$919,833	\$1,129,254	\$1,319,299

<sup>(1)</sup> The basic and fully diluted calculations result in the same values due to the anti-dilutive effect of outstanding stock options and warrants.

## Summary of Quarterly Results (unaudited)

Three months ended	March 31, 2007	Dec. 31, 2006	Sept. 30, 2006	June 30, 2006	March 31, 2006	Dec. 31, 2005	Sept. 30, 2005	June 30, 2005
Total revenues	\$nil	\$nil	\$nil	\$nil	\$nil	\$nil	\$nil	\$nil
Net income/ (loss)	(\$67,361)	(\$204,384)	(\$51,389)	(\$109,281)	(\$85,022)	(\$122,626)	(\$85,089)	(\$76,058)
Net (loss) per share (Basic and fully diluted)	(0.00)	(\$0.00)	(\$0.00)	(\$0.00)	(\$0.00)	(\$0.00)	(\$0.00)	(\$0.00)

## Financing Activities

No funds have been used or obtained related to financing activities during the first quarter of 2007.

## Investing activities

The company has capitalized mineral expenses of \$894,555 which is an increase of \$141,502 from December 31, 2006. The mineral expenses are made up of:

ITEM	Project CANGREJOS		Project PLATEADO		TOTAL \$
	Office	Field	Office	Field	
<b>Expenditures capitalized 12/31/2006</b>	<b>211,625</b>	<b>211,462</b>	<b>142,667</b>	<b>187,299</b>	<b>753,053</b>
<b>Add: Expenditures capitalized in 2007</b>					
Mineral Rights		14,705		46,435	<b>61,140</b>
Legal Fees – Quito	2,688				<b>2,688</b>
General Expenses – Quito	3,004	809	8,657	5,402	<b>17,872</b>
Geological Consulting		2,662		10,378	<b>13,040</b>
Geological Staff - Ecuador	5,120			26,628	<b>31,748</b>
Assay				15,014	<b>15,014</b>
2007's Expenditures	<b>10,812</b>	<b>18,176</b>	<b>8,657</b>	<b>103,857</b>	<b>141,502</b>
<b>Expenditures capitalized 03/31/2007</b>	<b>222,437</b>	<b>229,638</b>	<b>151,324</b>	<b>291,156</b>	<b>894,555</b>

**a) Cangrejos Project**

The Company had 11 separate mineral titles as at March 31, 2007 covering 7,799 has located near Machala South West Ecuador.

**b) Plateado Project**

The Company had 14 separate mineral titles as at March 31, 2007 in the two areas referred to as Plateado South and Plateado North respectively, both in Eastern Ecuador.

There are no major cities nearby.

The total area covered is 27,205 has.

**Liquidity**

The Company had a history of profitable operations until 1998, but since then none, and currently its retained mineral projects are at their early stage. Therefore, the Company is subject to many risks common to comparable exploration companies, including undercapitalization, cash shortages and limitations with respect to personnel, financial and other resources and the lack of revenues.

On March 31, 2007, the company has a net working capital position of \$1,787,153 which is all made up of cash and cash equivalents on hand. The same position on December 31, 2006 was \$2,076,869. The consolidated financial statements for the current period have been prepared on the basis of accounting principles applicable to a going concern. This assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. The Company has incurred operating costs in the last fiscal year and has limited financial resources, no source of operating cash flow, and no assurances that sufficient funding, including adequate financing, will be available to further explore its mineral property projects and to cover the overhead costs necessary to maintain a public company.

**Contractual Obligations**

The Company's business is subject to various option and/or lease agreements in connection with the acquisition and exploration of mineral interests. These agreements generally require the Company to make periodic payments over a varying number of years to maintain its interests. The Company can cancel these agreements at any time without completing the remaining payments and without penalty.

The Company's interests in its Cangrejos concessions in Ecuador are held subject to annual concession payments aggregating approximately US\$25,000 for 2008 and 2009, US\$50,000 for each year 2010 through 2012, US\$100,000 for each year from 2013 to 2015 and US\$125,000 for each year thereafter. The company's interests in its El Plateado concessions are held subject to annual concession payments aggregating approximately US\$95,000 for 2008 and 2009, US\$110,000 in 2010, US\$185,000 in each of 2011 and 2012, US\$215,000 in 2013, US\$375,000 in 2014 and 2016 and US\$430,000 for each year thereafter. These figures will vary from time to time as the size and number of concessions changes.

Following the signing of the definitive agreement with Mr Castro concerning his mineral concessions and surface holdings at Cangrejos, Odin will be obligated to pay Mr Castro US\$160,000 and US\$180,000 within 12 months and 24 months respectively of the signature date with the balance of US\$2 million to be paid in two additional installments within 30 and 42 months of the signature date. In addition Odin will

be obligated to spend a minimum of US\$500,000 on exploration on the property within 2 years of the signature date.

### **Transactions with Related Parties**

The Company paid fees of \$19,276 to management, officers, directors and a company controlled by an officer of the Company in the quarter ended March 31, 2007.

The Company paid \$463 storage fee to Zen Capital & Mergers Ltd, which is a private company controlled by a director of the company. This amount is included in occupancy cost.

The Company receives a contribution towards its lease commitments equivalent to 20% of all lease costs and telephone charges from related parties, as well as direct costs. These amounts received have amounted to \$1,375 recovered during the current quarter.

Transactions with related parties are described in note 7 to the consolidated financial statements for the quarter ended March 31, 2007.

### **Financial Instruments**

The Company's financial instruments consist of highly liquid investments held in the form of high quality commercial papers, the investment terms of which are less than three months.

The Company is exposed to currency exchange rate risks to the extent of its foreign activities in Ecuador. The Company does not hedge its exposure to fluctuations in the related exchange rates.

### **Outstanding Share Data**

Authorized Capital:

200,000,000 Common shares, no par value

Issued and outstanding:

47,814,791 common shares as at December 31, 2006 for a net consideration of \$10,401,513.

On March 31, 2007, the Company has the following unexpired and unexercised stock options exercisable at 25 cents each. The remaining life of the option is 3 years and 5 months:

<u>Exercisable on</u>	<u>No. of Options</u>
August 24, 2005	630,000
November 24, 2005	630,000
February 24, 2006	630,000
May 24, 2006	<u>630,000</u>
Total	<u>2,520,000</u>

### **Internal Controls over Financial Reporting**

Management has designed, established and is maintaining a system of internal controls over financial reporting to provide reasonable assurance that the financial information prepared by the Company for external purposes is reliable and has been recorded, processed and reported in an accurate and timely manner in accordance with Canadian generally accepted accounting principles.

**Disclosure Controls**

Management is responsible for the design, establishment and maintenance of disclosure controls and procedures. Based on an evaluation of the Company's disclosure controls and procedures as of the end of the period covered by this MD&A, management believes its disclosure controls and procedure are effective in providing reasonable assurance that material items requiring disclosure are identified and reported in a timely manner.

**Other Information**

Additional information related to the Company, including the Company's Annual Information Form, is available for viewing on SEDAR at [www.sedar.com](http://www.sedar.com) and on the Company's website of [www.odinmining.com](http://www.odinmining.com)

**ODIN MINING AND EXPLORATION LTD.**  
**INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2007**  
**UNAUDITED – PREPARED BY MANAGEMENT**

**ODIN MINING AND EXPLORATION LTD.**  
**INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2007**

**Responsibility for financial statements**

The accompany interim consolidated financial statements for Odin Mining and Exploration Ltd. 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, 2006 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 auditors of PricewaterhouseCoopers have not performed a review of the un-audited interim consolidated financial statements for the three months ended March 31, 2007 and March 31, 2006.

*(Signed) Stephen W.C. Stow*  
*Director*

**ODIN MINING AND EXPLORATION LTD.**  
**CONSOLIDATED BALANCE SHEETS**  
**(UN-AUDITED)**

(Expressed in U.S. dollars)

	<b>March 31,</b>	<b>December 31,</b>
	<b>2007</b>	<b>2006</b>
	\$	\$
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash and cash equivalents	1,878,798	2,176,243
Other receivables	39,414	31,139
Prepaid & deposits	8,518	13,633
	1,926,730	2,221,015
<b>EQUIPMENT</b> (Note 3)	106,579	25,726
<b>MINERAL PROPERTIES</b> (Note 4)	894,555	753,053
	2,927,864	2,999,794
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Trade payables and accrued liabilities	139,577	144,146
	139,577	144,146
<b>SHAREHOLDERS' EQUITY</b>		
<b>Capital Stock</b> (Note 5)	10,401,513	10,401,513
<b>Contributed Surplus</b> (Note 5b)	15,620,136	15,620,136
<b>Deficit</b>	(23,233,362)	(23,166,001)
	2,788,287	2,855,648
	2,927,864	2,999,794

**Approved by the Board of Directors**

(signed) Stephen W.C. Stow Director

(signed) Levi Giesbrecht Director

THE ATTACHED NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

**ODIN MINING AND EXPLORATION LTD.**  
**CONSOLIDATED STATEMENTS OF OPERATIONS AND DEFICIT**  
**(UN-AUDITED)**  
(Expressed in U.S. dollars)

	<b>Three-months period ended March 31,</b>	
	<b>2007</b>	<b>2006</b>
	\$	\$
<b>OPERATING EXPENSES</b>		
Amortization	1,249	776
Consulting fees	5,729	5,000
Directors fees	17,162	9,680
Foreign exchange loss (gain)	(7,454)	1,415
General and administration	11,275	5,609
Geological expenses	-	1,240
Insurance	5,115	3,044
Investor relations	-	743
Management fees	19,279	6,535
Occupancy costs	7,186	4,910
Professional fees	10,534	1,325
Stock based compensation	-	35,202
Travel	2,564	1,585
Wages & benefits	11,821	9,126
<b>TOTAL Operating expenses</b>	<u>84,460</u>	<u>86,190</u>
<b>OPERATING LOSS</b>	(84,460)	(86,190)
Interest income	17,099	1,168
<b>LOSS FOR THE YEAR</b>	<u>(67,361)</u>	<u>(85,022)</u>
<b>DEFICIT - BEGINNING OF YEAR</b>	<u>(23,166,001)</u>	<u>(22,715,927)</u>
<b>DEFICIT - END OF YEAR</b>	<u>(23,233,362)</u>	<u>(22,800,949)</u>
<b>Basic and diluted loss per share (Note 2)</b>	<u>(0.00)</u>	<u>(0.00)</u>
<b>Weighted average number of shares outstanding</b>	<u>47,814,791</u>	<u>34,833,149</u>

THE ATTACHED NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

**ODIN MINING AND EXPLORATION LTD.**  
**CONSOLIDATED CASH FLOW STATEMENTS**  
**(UN-AUDITED)**  
(Expressed in U.S. dollars)

	<b>Three-months period ended March 31,</b>	
	<b>2007</b>	<b>2006</b>
	\$	\$
<b>OPERATING ACTIVITIES:</b>		
Loss for the year	(67,361)	(85,022)
Less: Items not affecting funds		
Stock-based compensation	-	35,202
Amortization	1,249	776
	<u>(66,112)</u>	<u>(49,044)</u>
 <b>CASH PROVIDED/(USED IN) WORKING CAPITAL</b>		
Other receivables	(8,275)	(2,507)
Prepaid & deposits	5,115	751
Trade payables and accrued liabilities	(4,569)	(9,410)
	<u>(73,841)</u>	<u>(60,210)</u>
 <b>INVESTING ACTIVITIES:</b>		
Equipment	(82,100)	-
Mineral properties	(141,502)	(103,161)
	<u>(223,602)</u>	<u>(103,161)</u>
 <b>NET CHANGES IN CASH AND CASH EQUIVALENTS</b>		
Cash and cash equivalents, beginning of year	2,176,241	406,725
Cash and cash equivalents, end of period	<u><u>1,878,798</u></u>	<u><u>243,354</u></u>

THE ATTACHED NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

**ODIN MINING AND EXPLORATION LTD.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**MARCH 31, 2007**  
**(Un-audited)**  
(Expressed in U.S. dollars)

**1. OPERATIONS**

The company was incorporated under the Company Act of British Columbia on March 22, 1988.

The company is focused on the business of exploration and development of mineral properties in South America, currently only in Ecuador, where it holds mineral rights in two areas; Cangrejos which also encompasses Las Orquedeas and Los Planes, and El Plateado. The rights, which have a 30 years lifetime, have been held since 1996 and are renewable annually on March 31.

**2. SIGNIFICANT ACCOUNTING POLICIES**

**Basis of consolidation**

The consolidated financial statements include the accounts of Odin and its wholly and partially owned subsidiaries. All inter-company 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 actual rate of exchange for the year, except for amortization, which is translated at historical rates.

**Foreign currency translation, continued**

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

**Mineral properties and deferred exploration costs**

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 or conditions for impairment are identified.

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 the property is charged to the consolidated statements of operations and deficit during the year. Management regularly assesses the carrying value of mineral properties and if impairment is evident, the property value is written down to estimated fair value.

**ODIN MINING AND EXPLORATION LTD.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**MARCH 31, 2007**  
**(Un-audited)**  
(Expressed in U.S. dollars)

**Earnings (loss) per share**

Basic and diluted earnings (loss) per share is calculated using the weighted average number of common shares outstanding during the three months period to March 31, 2007 of 47,814,791 (2006 34,833,149).

**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, accounts receivable, and accounts payable and accrued liabilities are reasonable estimates of fair values at the balance sheet dates.

**Use of estimates**

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

**Cash and cash equivalents**

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

**Equipment**

Equipment is recorded at cost and depreciated over its estimated useful life.

**Stock-based compensation**

The company has no formal stock-based compensation plan. Options are granted periodically by the directors. The Company uses the fair value method to record awards granted, modified or settled. Under this method, compensation expense for stock options granted is measured at fair value at the grant date, using the Black-Scholes valuation model. The stock-based compensation expense is recognized over the vesting periods of the respective options. See note 5b).

**ODIN MINING AND EXPLORATION LTD.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**MARCH 31, 2007**  
**(Un-audited)**  
(Expressed in U.S. dollars)

**Income tax**

Future income taxes are recognized for the future income tax consequences attributable to differences between the carrying values of assets and liabilities and their respective income tax bases. In view of the remote probability that the company will be in a position to utilize the future income tax assets, a valuation allowance has been applied to reduce the future income taxes to zero.

**3. EQUIPMENT**

The company has computer and equipment with a cost of \$121,803, accumulated amortization of \$15,224 and a net book value of \$106,579.

**4. MINERAL PROPERTIES**

The mineral properties capitalize are made up of:

ITEM	Project		Project		TOTAL \$
	CANGREJOS		PLATEADO		
	Office	Field	Office	Field	
<b>Expenditures capitalized 12/31/2006</b>	<b>211,625</b>	<b>211,462</b>	<b>142,667</b>	<b>187,299</b>	<b>753,053</b>
<b>Add: Expenditures capitalized in 2007</b>					
Mineral Rights		14,705		46,435	<b>61,140</b>
Legal Fees – Quito	2,688				<b>2,688</b>
General Expenses – Quito	3,004	809	8,657	5,402	<b>17,872</b>
Geological Consulting		2,662		10,378	<b>13,040</b>
Geological Staff - Ecuador	5,120			26,628	<b>31,748</b>
Assay				15,014	<b>15,014</b>
2007's Expenditures	<b>10,812</b>	<b>18,176</b>	<b>8,657</b>	<b>103,857</b>	<b>141,502</b>
<b>Expenditures capitalized 03/31/2007</b>	<b>222,437</b>	<b>229,638</b>	<b>151,324</b>	<b>291,156</b>	<b>894,555</b>

**5. CAPITAL STOCK**

**a) Common shares**

**Authorized**

The company's authorized capital consisted of 200,000,000 common shares without par value

<b>Issued</b>	<b>No. of shares</b>	<b>Amount</b>
On March 31, 2007	<u>47,814,791</u>	<u>\$ 10,401,513</u>
On March 31, 2006	<u>34,833,149</u>	<u>\$ 8,512,139</u>

**ODIN MINING AND EXPLORATION LTD.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**MARCH 31, 2007**  
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**b) Share options plan**

The company does not have a formal share option plan, but it is the policy of the Director's to grant options exceeding 10% of the issued shares provided that the number of options outstanding at any time does not exceed 10% of the outstanding shares in issue from time to time. The stock options have a one year resale restriction imposed on them.

**c) Warrants**

As of March 31, 2007, the Company has 6,490,821 warrants outstanding entitling the holders to purchase 6,490,821 common shares at C\$0.42 per share. The warrants expire on September 15<sup>th</sup> 2007.

**6. NET LOSS PER SHARE**

The net loss per share was calculated based on the weighted average number of shares outstanding for the three months to March 31, 2007. The basic and diluted loss per share are the same for the three months period since the existence of stock options and warrants would further increase the net loss per share on a fully diluted basis.

**7. RELATED PARTY TRANSACTIONS**

During the three months ended March 31, 2007, the following transactions occurred with related parties:

- a) Documentation storage fee of \$463 was paid to a company, which has one common director with the company and included in occupancy cost.
- b) Management fees of \$19,279 were paid to Zen Capital, which is a private company controlled by a director of the company.
- c) Telephone and rent recovery of \$1,375 were received from a company in which a director was the sole shareholder

**8. SEGMENT INFORMATION**

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