

EURASIAN MINERALS INC.

CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in Canadian Dollars)

September 30, 2009

The accompanying unaudited interim consolidated financial statements of Eurasian Minerals Inc. for the three and six months ended September 30, 2009 have been prepared by management and approved by the Audit Committee and the Board of Directors of the Company. These interim consolidated financial statements have not been reviewed by the Company's external auditors.

EURASIAN MINERALS INC.
CONSOLIDATED BALANCE SHEETS
(Expressed in Canadian dollars)
(Unaudited – Prepared by Management)

	September 30, 2009	March 31, 2009
ASSETS		
Current		
Cash and cash equivalents	\$ 7,258,976	\$ 8,799,950
Receivables	1,542,251	1,913,064
Prepaid expenses	196,623	217,007
	<u>8,997,850</u>	<u>10,930,021</u>
Restricted cash	62,480	62,480
Investments (Note 4)	2,041,057	1,709,551
Equipment (Note 5)	470,550	454,407
Mineral properties (Note 6)	936,300	936,300
Deposits	114,144	101,531
	<u>\$ 12,622,381</u>	<u>\$ 14,194,290</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Accounts payable and accrued liabilities	\$ 596,139	\$ 507,411
Advance from joint venture partner	273,636	528,206
	<u>869,775</u>	<u>1,035,617</u>
Shareholders' equity		
Capital stock (Note 7)	20,793,283	20,673,712
Commitment to issue shares (Note 7)	224,136	75,682
Contributed surplus (Note 7)	2,728,822	2,473,404
Accumulated other comprehensive income	718,556	127,209
Deficit	(12,712,191)	(10,191,334)
	<u>11,752,606</u>	<u>13,158,673</u>
	<u>\$ 12,622,381</u>	<u>\$ 14,194,290</u>

Nature and continuance of operations (Note 1)

On behalf of the Board:

Signed: “David M. Cole” Director Signed: “George Lim” Director

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

EURASIAN MINERALS INC.
CONSOLIDATED STATEMENTS OF OPERATIONS AND DEFICIT
(Expressed in Canadian dollars)
THREE AND SIX MONTHS ENDED SEPTEMBER 30, 2009 AND 2008
(Unaudited – Prepared by Management)

	Three Months Ended		Six Months Ended	
	September 30, 2009	September 30, 2008	September 30, 2009	September 30, 2008
EXPLORATION EXPENDITURES (Note 6)	\$ 2,250,188	\$ 3,253,362	\$ 4,443,383	\$ 5,246,087
Less: recoveries	(1,775,736)	(2,181,954)	(3,133,521)	(3,405,556)
	474,452	1,071,408	1,309,862	1,840,531
GENERAL AND ADMINISTRATIVE EXPENSES				
Administrative services and office costs	147,484	70,745	274,004	133,142
Amortization	2,695	4,553	5,603	9,449
Consulting	152,981	65,069	254,136	144,996
Investor relations and shareholder information	46,985	61,273	166,505	184,321
Professional fees	60,797	8,131	99,688	34,891
Stock-based compensation (Note 7)	15,937	248,564	293,239	191,645
Transfer agent and filing fees	40,037	20,730	42,769	25,799
	466,916	479,065	1,135,944	724,243
Loss before other items	(941,368)	(1,550,473)	(2,445,806)	(2,564,774)
OTHER ITEMS				
Foreign exchange gain (loss)	(105,750)	71,933	(313,718)	40,001
Gain (loss) on investments	202,618	(774)	200,697	(22,147)
Change in fair value of held-for-trading investments	(9,911)	(4,178)	(23,184)	(8,286)
Interest income	8,095	69,660	61,154	140,996
Other income	-	(16,308)	-	-
	95,052	120,334	(75,051)	150,564
Net loss for the period	(846,316)	(1,430,140)	(2,520,857)	(2,414,210)
Deficit, beginning of period	(11,865,875)	(8,179,202)	(10,191,334)	(7,195,132)
Deficit, end of period	\$ (12,712,191)	\$ (9,609,342)	\$ (12,712,191)	\$ (9,609,342)
EARNINGS (LOSS) PER SHARE INFORMATION				
Basic and diluted loss per common share	\$ (0.03)	\$ (0.06)	\$ (0.08)	\$ (0.09)
Weighted average number of common shares outstanding	28,569,645	28,352,376	28,549,391	28,064,787

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

EURASIAN MINERALS INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in Canadian dollars)
THREE AND SIX MONTHS ENDED SEPTEMBER 30, 2009 AND 2008
(Unaudited – Prepared by Management)

	Three Months Ended		Six Months Ended	
	September 30, 2009	September 30, 2008	September 30, 2009	September 30, 2008
OPERATING ACTIVITIES				
Net loss for the period	\$ (846,316)	\$ (1,430,140)	\$ (2,520,857)	\$ (2,414,210)
Items not affecting cash:				
(Gain) loss on sale of investments	(202,618)	774	(200,697)	22,147
Change in fair value of held-for-trading investments	9,912	4,178	23,185	8,286
Commitment to issue shares for bonus payments (Note 7)	82,041	1,460	148,454	30,135
Amortization	13,915	35,860	38,038	68,675
Stock-based compensation	15,936	248,563	293,239	191,644
Change in non-cash working capital items				
Receivables	(185,930)	(207,298)	370,813	(107,726)
Prepaid expenses	(2,957)	(66,973)	20,384	(121,069)
Accounts payable and accrued liabilities	46,195	195,053	88,727	308,120
Advance from joint venture partner	(15,958)	6,744	(254,570)	445,886
Net cash used in operating activities	(1,085,780)	(1,211,779)	(1,993,284)	(1,568,112)
INVESTING ACTIVITIES				
Proceeds from sale of investments	774,059	2,166	777,509	40,107
Investment in shares	(145,105)	-	(340,155)	-
Equipment	(55,581)	(55,965)	(54,181)	(91,711)
Other receivables and deposits	(15,549)	(21,308)	(12,613)	(24,316)
Net cash used in investing activities	557,824	(75,107)	370,560	(75,920)
FINANCING ACTIVITIES				
Common shares issued for cash	35,750	-	81,750	3,688,000
Net cash provided by financing activities	35,750	-	81,750	3,688,000
Change in cash and cash equivalents during the period	(492,206)	(1,286,886)	(1,540,974)	2,043,968
Cash and cash equivalents, beginning of period	7,751,182	12,685,993	8,799,950	9,355,139
Cash and cash equivalents, end of period	\$ 7,258,976	\$ 11,399,107	\$ 7,258,976	\$ 11,399,107

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

EURASIAN MINERALS INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS AND
ACCUMULATED OTHER COMPREHENSIVE INCOME
(Expressed in Canadian dollars)
THREE AND SIX MONTHS ENDED SEPTEMBER 30, 2009 AND 2008
(Unaudited – Prepared by Management)

	Three Months Ended		Six Months Ended	
	September 30, 2009	September 30, 2008	September 30, 2009	September 30, 2008
Loss for the period	\$ (846,316)	\$ (1,430,140)	\$ (2,520,857)	\$ (2,414,210)
Other comprehensive income (loss)				
Unrealized gain (loss) on available-for-sale investments	204,006	(561,777)	591,347	(507,831)
Comprehensive loss	\$ (642,310)	\$ (1,991,917)	\$ (1,929,510)	\$ (2,922,041)
Accumulated other comprehensive income, beginning of period	\$ 514,550	\$ 425,247	\$ 127,209	\$ 371,901
Other comprehensive gain (loss) for the period	204,006	(561,177)	591,347	(507,831)
Accumulated other comprehensive income, end of period	\$ 718,556	\$ (135,930)	\$ 718,556	\$ (135,930)

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

1. NATURE AND CONTINUANCE OF OPERATIONS

The Company's principal business activities are the acquisition and exploration of mineral properties in Turkey, Haiti, the Kyrgyz Republic, Europe and the Asia Pacific region. The Company's continuing operations and the ability of the Company to meet its mineral property commitments are dependent upon the support of present and future joint venture partners and the ability of the Company to raise additional financing.

The Company's mineral exploration activities are located in emerging nations and, consequently, may be subject to a higher level of risk compared to other developed countries. Operations, the status of mineral property rights and the recoverability of investments in emerging nations can be affected by changing economic, regulatory and political situations.

The Company is currently exploring and has not yet acquired a mineral property containing reserves that are economically recoverable. In the event the Company completes an acquisition, the recoverability of amounts capitalized for mineral properties is dependent upon the discovery of sufficient economically recoverable ore reserves, confirmation of the Company's interest in the underlying mineral properties, the ability of the Company to arrange appropriate financing to complete the development of the mineral properties and upon future profitable production or proceeds from the sale of the mineral properties.

2. BASIS OF PRESENTATION

These unaudited interim consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles for interim financial statements. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, the accompanying financial information reflects all adjustments, consisting primarily of normal and recurring adjustments considered necessary for fair presentation of the results for the interim period. Operating results for the six months ended September 30, 2009 are not necessarily indicative of the results that may be expected for the year ending March 31, 2010. These interim consolidated financial statements follow the same accounting policies as set out in Note 2 to the audited consolidated financial statements of the Company for the year ended March 31, 2009.

3. RECENT ACCOUNTING PRONOUNCEMENTS

Business Combinations and Related Sections

In January 2009, the CICA issued CICA Handbook Section 1582, "Business Combinations", Section 1601, "Consolidations", and Section 1602, "Non-Controlling Interests". These sections replace the former Section 1581, "Business Combinations", and Section 1600, "Consolidated Financial Statements", and establish a new section for accounting for a non-controlling interest in a subsidiary. Section 1582 establishes standards for the accounting for a business combination, and states that all assets and liabilities of an acquired business will be recorded at fair value. Obligations for contingent considerations and contingencies will also be recorded at fair value at the acquisition date. The standard also states that acquisition-related costs will be expensed as incurred and that restructuring charges will be

3. RECENT ACCOUNTING PRONOUNCEMENTS (cont'd)

expensed in the periods after the acquisition date. It provides the Canadian equivalent to IFRS 3, Business Combinations (January 2008). The section applies prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after January 1, 2011.

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 the preparation of consolidated financial statements subsequent to a business combination. It is equivalent to the corresponding provisions of IFRS International Accounting Standards (“IAS”) 27, Consolidated and Separate Financial Statements (January 2008).

Sections 1601 and 1602 apply to interim and annual consolidated financial statements relating to fiscal years beginning on or after January 1, 2011. Earlier adoption of these sections is permitted as of the beginning of a fiscal year. All three sections must be adopted concurrently. The Company is currently evaluating the impact of the adoption of these sections.

4. INVESTMENTS

At September 30, 2009, the Company had the following investments:

	Cost	Accumulated Unrealized Gains (Losses)	Fair Value
Available for sale investments			
Common shares	\$ 741,325	\$ 717,034	\$ 1,458,359
Promissory note	414,151	14,537	428,688
	1,155,476	731,571	1,887,047
Held for trading investments			
Conversion feature on promissory note	163,908	(9,898)	154,010
Total investments	\$ 1,319,384	\$ 721,673	\$ 2,041,057

During the six months ended September 30, 2009, the Company recorded an unrealized gain of \$627,569 on common shares designated as available-for-sale. The debt portion of the promissory note has also been designated as available-for-sale and the Company has recorded an unrealized loss of \$36,222 on this note in other comprehensive income. The Company recorded total other comprehensive income of \$591,347 for the six months ended September 30, 2009. The conversion feature on the promissory note is designated as held-for-trading investments and accordingly the change in fair value has been recorded in the net loss for the period. During the six months ended September 30, 2009, the fair value of the conversion feature on the promissory note decreased by \$23,184.

EURASIAN MINERALS INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in Canadian dollars)
SEPTEMBER 30, 2009
(Unaudited – Prepared by Management)

5. EQUIPMENT

	September 30, 2009			March 31, 2009		
	Cost	Accumulated Amortization	Net Book Value	Cost	Accumulated Amortization	Net Book Value
Equipment	\$ 850,320	\$ 379,770	\$ 470,550	\$ 797,539	\$ 343,132	\$ 454,407

During the six months ended September 30, 2009 amortization of \$32,435 has been included in exploration expenditures.

6. MINERAL PROPERTIES AND EXPLORATION EXPENDITURES

The Company has capitalized the following acquisition costs on its mineral properties as at September 30, 2009:

Mineral properties

	September 30, 2009	March 31, 2009
Sisorta property, Turkey	\$ 283,508	\$ 283,508
Golcuk property, Turkey	34,674	34,674
Biga Peninsula, Turkey	153,960	153,960
Beyoluk, Turkey	68,191	68,191
Trab, Turkey	78,587	78,587
Gezart property, Kyrgyz Republic	39,000	39,000
Akoguz property, Kyrgyz Republic	278,380	278,380
Grand Bois property, Haiti	1,216,100	1,216,100
Grand Bois property, recoveries	(1,216,100)	(1,216,100)
	\$ 936,300	\$ 936,300

EURASIAN MINERALS INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in Canadian dollars)
SEPTEMBER 30, 2009
(Unaudited – Prepared by Management)

6. MINERAL PROPERTIES AND EXPLORATION EXPENDITURES (continued)

Exploration expenditures

During the six months ended September 30, 2009, the Company incurred the following exploration expenditures which were expensed as incurred:

	TURKEY			KYRGYZ REPUBLIC	HAITI			ROMANIA	OTHER	TOTAL
	Akarca/Elmali	Sisorta	Regional		Gran Bois	La Miel	Regional			
Consultant fees and salaries	\$ 175,964	\$ 86,770	\$ 179,582	\$ 120,623	\$ 284,562	\$ 238,981	\$ 379,682	\$ 250,313	\$ 158,246	\$ 1,874,723
Field supplies and labour	28,266	17,132	36,031	10,407	359,503	174,780	65,268	6,937	675	698,999
Travel	20,059	-	21,499	13,038	91,792	47,803	121,991	20,449	53,427	390,058
Administration	6,821	11,580	40,940	24,805	69,152	75,237	62,946	28,626	4,087	324,194
Vehicle costs	31,319	2,339	36,102	6,484	95,228	93,178	32,854	3,947	-	301,451
Assays	89,626	41,409	19,339	48,803	26,049	32,491	52,049	24,970	2,235	336,971
Fees and permits	33,278	52,615	22,510	1,234	19,827	6,520	50,974	2,617	823	190,398
Legal	4,266	2,379	9,889	-	3,237	3,360	18,523	2,884	-	44,538
Database acquisition	478	-	1,679	-	-	-	-	518	6,028	8,703
Geophysics	-	-	-	-	-	7,561	-	-	-	7,561
Drilling	3,654	216,223	3,210	6,294	-	-	-	-	-	229,381
Scoping study	-	-	-	-	-	-	-	-	-	-
Trenching and roads	-	14,521	10,007	11,878	-	-	-	-	-	36,406
Advance royalty payment	-	-	-	-	-	-	-	-	-	-
Subtotal	393,731	444,968	380,788	243,566	949,350	679,911	784,287	341,261	225,521	4,443,383
Recoveries	(393,731)	(444,968)	(328,308)	-	(949,350)	(679,911)	(337,253)	-	-	(3,133,521)
Net exploration expenditures	\$ -	\$ -	\$ 52,480	\$ 243,566	\$ -	\$ -	\$ 447,034	\$ 341,261	\$ 225,521	\$ 1,309,862

During the six months ended September 30, 2008, the Company incurred the following exploration expenditures which were expensed as incurred:

	TURKEY		KYRGYZ REPUBLIC	HAITI	ROMANIA	OTHER	TOTAL
	Sisorta	Regional					
Consultant fees and salaries	\$ 305,839	\$ 388,490	\$ 170,774	\$ 577,947	\$ 161,539	\$ 23,786	\$ 1,628,375
Assays	259,392	109,301	18,875	42,308	26,314	-	456,190
Field supplies and labour	147,890	74,041	38,132	50,483	5,068	-	315,614
Vehicle costs	1,944	48,669	30,620	38,510	4,286	-	124,029
Fees and permits	42,886	51,035	14,699	56,854	3,872	-	169,346
Travel	1,698	59,721	18,947	145,145	17,091	10,570	253,172
Database acquisition	-	618	-	-	-	-	618
Administration	45,750	83,641	32,474	153,528	69,387	1,704	386,484
Legal	6,106	3,348	567	14,003	2,341	6,623	32,988
Scoping study	-	-	863	-	-	-	863
Trenching and roads	62,684	12,466	28,356	750	-	-	104,256
Drilling	1,303,451	118,662	125,724	19,975	-	-	1,567,812
Advance royalty payment	103,751	101,932	-	657	-	-	206,340
Subtotal	2,281,391	1,051,924	480,031	1,100,160	289,898	42,683	5,246,087
Recoveries	(2,510,124)	-	-	(895,432)	-	-	(3,405,556)
Net exploration expenditures	\$ (228,733)	\$ 1,051,924	\$ 480,031	\$ 204,728	\$ 289,898	\$ 42,683	\$ 1,840,531

Net exploration expenditures of \$(228,733) for Sisorta are due to a VAT recovery relating to prior periods.

6. MINERAL PROPERTIES AND EXPLORATION EXPENDITURES (continued)

Kyrgyz Republic licenses

Kyrgyz Republic exploration licenses are two year renewable licenses subject to fulfilling a one year expenditure commitment. The Company has two exploration licenses which have a total expenditure commitment for calendar 2009 of approximately US\$290,000.

Turkish exploration licenses

The Company has acquired numerous exploration licenses in Turkey. There are no specific spending commitments, but quarterly reports must be filed.

Sisorta Joint Venture

On October 26, 2007, Eurasian signed a definitive agreement (“Agreement”) to joint venture the Sisorta gold project with Chesser Resources Limited, (“Chesser”). The terms and conditions of the Agreement are as follows:

- (a) Chesser will issue 500,000 shares (received) and pay US\$100,000 (received) on execution of the agreement.
- (b) Chesser may earn up to 51% in the property by spending US\$4,000,000 over a three year period of which US\$750,000 is a firm year one commitment (on August 6, 2009, Chesser gave the Company notice of its completion of the Stage One Earn-In Commitment).
- (c) Chesser will issue an additional 1,000,000 shares (received) and pay US\$100,000 (received) on October 26, 2008 and 1,500,000 shares and US\$100,000 on October 26, 2009 (received).
- (d) Chesser may subsequently earn a 70% interest in the project by sole funding exploration to delivery of a bankable feasibility study over the subsequent 5 years, with yearly cash payments of US\$100,000. (Chesser has declined such earn-in)

As Chesser has opted to move to the co-funded joint venture arrangement, EMX now has the option to either participate or dilute down to 10%, at which point triggering conversion to a 3% NSR that can be further reduced to a 2% NSR through payment of US\$1.5 million by Chesser. EMX’s decision to participate or dilute down will be made once it receives the annual budget from Chesser who is the project operator.

Akarca, Samli, Elmali Joint Venture

On December 23, 2008, the Company signed an option and joint venture agreement (the "Agreement") on the Akarca, Samli, and Elmali properties in Turkey (the "Properties"), with a subsidiary of Centerra Gold Inc. ("Centerra"), a Canadian gold mining and exploration company.

The two companies have entered into an Agreement in which Centerra has exclusive rights to earn up to a 70% interest in the subject properties in two phases, as given by the following terms and conditions.

- *Phase One.* Centerra shall have the right to earn a 50% interest by making US\$5,000,000 in exploration expenditures over 4 years as follows:

- US\$750,000 by December 23, 2010,
- US\$1,500,000 by December 23, 2011,
- US\$2,750,000 by December 23, 2012.

As part of the Agreement, Centerra reimbursed the Company for expenditures incurred on the properties from August 2008 up to the signing date of the Agreement. In addition, upon completion of the Phase One earn-in requirements, Centerra will also be required to pay the Company US\$1,000,000 within 30 days.

6. MINERAL PROPERTIES AND EXPLORATION EXPENDITURES (continued)

- *Phase Two*. Centerra may earn an additional 20%, bringing the total to 70%, in the properties by spending a further US\$5,000,000 in exploration expenditures over two years.

Once ownership is vested in the projects, each partner must contribute or dilute. Should a partner dilute to 10%, its ownership is converted to a 4% NSR, which may be reduced to a 2% NSR by the payment of US\$4,000,000 by the non-diluting party.

Dedeman Agreement

On August 7, 2007, the Company entered into an agreement with Dedeman Madencilik San.Vetic.A.S. (“Dedeman”) on the Aktutan exploration property. Dedeman will make a US\$40,000 advance royalty payment to the Company prior to August 7, 2008, US\$60,000 prior to August 7, 2009 and US\$100,000 prior to August 7, 2010 and thereafter for as long as they hold the property. Dedeman has drilling and expenditure commitments over the first three years of the agreement depending on results. The Company will retain a 4% uncapped net smelter royalty and can reacquire the property if Dedeman decides to relinquish it. As of September 30, 2009, the US\$40,000 advance royalty payment due by August 2008 and US\$60,000 due August 2009 was not received. Due to the recent downturn in the global markets, the Company and Dedeman have agreed to prorate the payments in order to work together to advance the property. During the six months ended September 30, 2009 the Company received two instalments of US\$3,500 and US\$5,000 leaving a balance owing of US\$91,500.

In November 2006 the Company through its wholly owned subsidiary, Eurasia Madencilik Ltd. Sti, completed an exchange of mineral properties with Dedeman. The Company transferred its Balya and Sofular lead-zinc properties to Dedeman in exchange for the Alankoy gold-copper property. Dedeman is to make a US\$100,000 advance royalty payment (paid) to the Company for the Balya property prior to the first anniversary of the agreement. Dedeman is also committed to drill a minimum of 12 exploration holes for a total of 3,000 meters during the first year and incur expenditures of US\$500,000 in year 2 and US\$1,000,000 in year 3. The Company retains a 4% net smelter royalty and a reversionary right to re-acquire the property if Dedeman decides to relinquish the license or does not meet its work commitment. Dedeman also acquired the Sofular properties but the Company retains a 3% net smelter royalty on the properties and a reversionary interest in the properties should Dedeman decide to relinquish one or more of them.

Dedeman has the right to purchase the 3% royalty at any time for US\$1,000,000. The Company made a US\$100,000 advance royalty payment to Dedeman for the Alankoy property in May 2008. Dedeman retains a 3% net smelter royalty on the property and a reversionary right to re-acquire the property should the Company decide to relinquish the license. The Company retains the right to purchase Dedeman’s 3% royalty for US\$1,000,000 at any time.

Haiti exploration permits

La Miel Joint Venture

In July 2006, the Company acquired the La Mine and La Miel gold projects in Haiti. The acquisition cost was the annual land fee payment which is based on a standard fee per hectare, which was nominal. On April 18, 2008, the Company and Newmont Ventures Limited (“Newmont”) entered into a joint venture (“JV”) for the La Miel project in Haiti, whereby Newmont can earn a 65% participating interest in the La Miel JV on or before six years from April 18, 2008 by either (i) completing a feasibility study which identifies a minimum resource containing at least 3,000,000 ounces of gold (subject to NI 43-101 resource and reserve reporting requirements) or (ii) solely funding the first

6. MINERAL PROPERTIES AND EXPLORATION EXPENDITURES (continued)

US\$30,000,000 in JV expenditures (“Venture Expenditures”), whichever comes first, as outlined below.

- US\$1,000,000 (incurred) on or before April 18, 2009
- An additional US\$2,000,000 on or before April 18, 2010
- An additional US\$3,000,000 on or before April 18, 2011
- An additional US\$4,000,000 on or before both April 18, 2012 and April 18, 2013
- An additional US\$16,000,000 on or before April 18, 2014 until completion of the La Miel earn-in.

Thereafter, the Company may elect to either (i) fund its share of the Venture Expenditures, (ii) have the JV be entirely carried by Newmont, or (iii) not contribute to subsequent programs and budgets and dilute its interest.

If the Company elects to have Newmont fund the project through to production, Newmont will solely fund 100% of Venture Expenditures until commencement of commercial production and Newmont’s participating interest would be increased by 5% to a total of 70%. Upon commencement of commercial production Newmont shall recover all Venture Expenditures made on the Company’s behalf, plus interest at LIBOR plus 4 percentage points, from 80% of the Company’s share of dividends or distribution of earnings from the venture.

If the Company elects not to participate in financing the Venture Expenditures, the Company may immediately withdraw from the La Miel JV and convert its participating interest to a 3.5% NSR and receive an advance annual minimum royalty of US\$1,000,000 which shall be credited against future royalty payments to be paid to the Company. If the Company elects to fund its share of Venture Expenditures and elects not to convert to a royalty or be carried through to production, each party shall carry its proportionate share of expenditures. Any election to not contribute by either party will be subject to standard dilution.

Within 30 days following completion of the La Miel earn-in, Newmont shall pay the Company a one time bonus of US\$2,000,000. Within 30 days following the commencement of commercial production on the La Miel project, Newmont shall pay the Company an additional one-time bonus of US\$2,000,000.

Regional Strategic Alliance

On April 18, 2008, Newmont and the Company reached an agreement to conduct a regional gold exploration program, with the Company as the operator. Newmont will contribute technical support and advice and the Company will provide staffing and logistical support. The companies will combine their regional exploration databases. During the first year, Newmont and the Company will contribute US\$750,000 and US\$250,000 respectively (completed), in regional exploration funding. Newmont will provide 65% of future regional exploration funding with Company providing 35%.

Upon spending US\$200,000 on a specific exploration area, the Company has the right to establish that area (defined as not greater than 500 square kilometers) as a “Designated Project” candidate, at which time Newmont may choose to advance the project to Designated Project status or decline. If accepted, Newmont can earn an initial 70% interest in a Designated Project by completing a Feasibility Study or solely funding the first US\$10,000,000 in Designated Project expenditures on or before six years from the effective date of April 18, 2008, whichever comes first. In the event Newmont declines, the Company is free to advance that property on its own terms with no further obligation to Newmont.

6. MINERAL PROPERTIES AND EXPLORATION EXPENDITURES (continued)

Grand Bois Joint Venture

On December 22, 2008 the Company, through its Haitian subsidiary Ayiti Gold Company S. A., purchased a 100% interest in the Grand Bois property from Societe Miniere Citadelle S.A. and La Geominerale d'Haiti S.A. (together "SMC"), subject to making the payments as outlined below under the Purchase Agreement (the "Agreement"):

- The Company is required to pay SMC US\$1,000,000 (paid) subject to certain deductions required to maintain the property in good standing.
- On December 22, 2009, the Company has the option to pay SMC the equivalent of US\$1,000,000 as follows: US\$750,000 in cash or the Company's stock and US\$250,000 in cash.
- Upon completion of a feasibility study, the Company has the option to pay SMC the equivalent of US\$3,000,000 in either the Company's stock or cash, or any combination thereof.
- SMC retains a 20% net profits interest. The Company has the option at any time to purchase SMC's net profits interest for US\$15,000,000.

The Agreement to acquire the Grand Bois property from SMC is subject to the Company's Strategic Venture Agreement with Newmont. Newmont has elected to include the Grand Bois property in a "Designated Project" venture, and work on the property will be governed by a Designated Projects Joint Venture Agreement. Newmont is responsible for all expenditures on the project until such time as it earns its interest.

Newmont can earn a 65% interest in the Property by choosing to either:

- Fund 100% of the initial US\$10,000,000 of expenditures on the project by December 22, 2014, or
- Complete a positive feasibility study on the property by December 22, 2014.

Newmont has reimbursed the Company for the initial US\$1,000,000 payment to SMC. The Company will be responsible to make the second US\$1,000,000 payment on the first anniversary of the Agreement. If Newmont continues to work towards its earn-in after the second anniversary of the Agreement, then Newmont will reimburse the Company for this second US\$1,000,000 payment. After Newmont earns a 65% interest in the project, the Company has 120 days to elect one of three options: a) fund its proportionate share of expenditures for the program; b) let Newmont fund the Company's share of expenditures to production in exchange for receiving an additional 5% interest in the project up to 70%; or c) convert its 35% interest to a 3.5% NSR royalty and receive annual US\$1,000,000 advance minimum royalty payments.

La Mine Designated Project

On August 24, 2009 Newmont increased its participation in EMX's Treuil and La Mine licenses by electing them as a Designated Project (collectively the La Mine Designated Project) in accordance with the EMX-NEM Strategic Venture Agreement. Newmont may earn a 65% participating interest in the La Mine Joint Venture (JV) by (i) completing a Feasibility Study which reports a minimum reserve containing at least 2,000,000 ounces of gold (subject to NI 43-101 classification requirements) or (ii) solely funding the first US\$20M in venture expenditures on or before six years from the date the government issues the mining convention and exploration licenses, whichever comes first, in accordance with the following minimum expenditures (the "La Mine Earn-in"):

- US\$1,000,000 on or before the first anniversary
- An additional US\$2,000,000 on or before the second anniversary
- An additional US\$3,000,000 on or before the third anniversary and each subsequent anniversary until completion of the La Mine Earn-in.

EURASIAN MINERALS INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in Canadian dollars)
SEPTEMBER 30, 2009
(Unaudited – Prepared by Management)

7. CAPITAL STOCK

Authorized

An unlimited number of common and preferred shares without par value.

Issued and outstanding common shares

	Number of Shares	Stated Amount	Contributed Surplus
Balance as at March 31, 2009	28,515,645	\$20,673,712	\$ 2,473,404
Shares issued on exercise of stock options	67,000	81,750	-
Reclassify fair value of options exercised from contributed surplus	-	37,821	(37,821)
Stock based compensation	-	-	293,239
Balance as at September 30, 2009	28,582,645	\$20,793,283	\$ 2,728,822

Stock Options

The following table summarizes information about the stock options which were outstanding and exercisable at September 30, 2009:

Date Granted	Number of Options	Exercise Price	Expiry Date
November 15, 2004	50,000	1.35	November 15, 2009
December 21, 2005	20,000	1.38	December 21, 2009
May 1, 2006	390,334	1.20	May 1, 2011
October 1, 2006	80,000	0.80	October 1, 2011
May 10, 2007	520,000	1.35	May 10, 2012
May 22, 2007	6,667	1.40	May 22, 2012
June 1, 2007	75,000	1.63	June 1, 2012
June 21, 2007	500,000	1.81	June 21, 2012
September 20, 2007	10,000	1.70	September 30, 2012
November 7, 2007	20,000	1.79	November 7, 2012
April 22, 2008	10,000	1.66	April 22, 2013
September 18, 2008	709,000	1.00	September 18, 2013
December 19, 2008	22,000	1.00	December 19, 2013
May 22, 2009	305,000	1.20	May 22, 2014
Total	2,718,001		

7. CAPITAL STOCK (cont'd)

Stock-based compensation

During the six months ended September 30, 2009, the Company granted 305,000 stock options which all vested immediately.

The fair value of the vested stock options was estimated using the Black-Scholes option pricing model using the following assumptions:

Risk free interest rates	2.27%
Expected life (years)	5.0
Expected volatility	63%
Dividend yield	0%

During the six months ended September 30, 2009, the Company recorded stock-based compensation of \$198,891 for the options granted during the period, and \$94,348 for options previously granted that vested during the quarter, for a total stock-based compensation expense of \$293,239.

Stock Grants

On October 10, 2008, the Company received TSX Venture Exchange approval to issue three key country managers a total of 220,000 common shares as a bonus. The shares will be issued over a period of five years with the initial tranche of 44,000 shares to be issued on October 10, 2009, and a further 44,000 shares on each of the second, third, fourth and fifth anniversaries. The shares will be subject to restrictions on transfer for a period of four months from issuance. Additionally, the Company received approval to issue the President 240,000 common shares as bonus over a period of five years (48,000 shares in each year). Final approval was received from disinterested shareholders at the Company's 2009 annual general meeting.

Warrants

As at September 30, 2009, the following share purchase warrants were outstanding:

	Number of Warrants	Exercise Price	Expiry Date
Private Placement – October 5, 2007	2,000,000	\$ 2.00	*October 5, 2009
Broker Warrants – October 5, 2007	97,500	\$ 2.00	*October 5, 2009
Private Placement – April 25, 2008	1,275,000	\$ 2.50	April 25, 2010
Total	3,372,500	\$ 2.19	Weighted average exercise price

* these warrants expired unexercised on October 5, 2009

8. RELATED PARTY TRANSACTIONS

During the six months ended September 30, 2009, the Company paid or accrued \$280,379 (2008 – \$352,668) to directors or companies controlled by directors for services supplied by them for investigation and exploration activities and management and administration services. Of this amount, \$113,279 is included in consulting costs and \$167,100 is included in administrative services and office costs. These transactions were in the normal course of operations and are measured at the exchange amount which is the amount established and agreed to by the related parties.

As at September 30, 2009, a total of \$46,735 (2008 - \$22,871) was included in accounts payable which was due to related parties and these balances payable are non-interest bearing and are due on demand. Due to related parties consists of amounts owed to directors and officers and owed to companies which have at least one director in common with Eurasian.

9. SEGMENTED INFORMATION

The Company operates solely within the exploration industry. At September 30, 2009, the Company had equipment and mineral properties located geographically as follows:

September 30, 2009	Equipment	Mineral Properties
Canada	\$ 78,813	\$ -
Turkey	128,841	618,920
Romania	34,761	-
Haiti	176,714	-
Kyrgyz Republic	51,421	317,380
	<u>\$ 470,550</u>	<u>\$ 936,300</u>

March 31, 2009	Equipment	Mineral Properties
Canada	\$ 43,003	\$ -
Turkey	131,989	618,920
Romania	39,623	-
Haiti	186,455	-
Kyrgyz Republic	53,337	317,380
	<u>\$ 454,407</u>	<u>\$ 936,300</u>

10. MANAGEMENT OF FINANCIAL RISK

The Company's financial instruments are exposed to certain financial risks, which include currency risk, credit risk, liquidity risk and interest rate risk.

(a) Currency Risk

The Company is exposed to the financial risk related to the fluctuation of foreign exchange rates. The Company operates in Canada, Haiti, Turkey, Romania, the Kyrgyz Republic, and Sweden. The Company funds cash calls to its subsidiary companies outside of Canada in US dollars and a portion of its expenditures are also incurred in local currencies. The greatest risk is the exchange rate of the Canadian dollar relative to the US dollar and a significant change in this rate could have an effect on the Company's results of operations, financial position or cash flows. The Company has not hedged its exposure to currency fluctuations. At September 30, 2009, the Company is exposed to currency risk through the following assets and liabilities denominated in US dollars:

	US\$
Cash and cash equivalents	1,560,000
Receivables	1,059,000
Accounts payable and accrued liabilities	(445,000)
Net exposure	2,174,000

Based on the above net exposures as at September 30, 2009, and assuming that all other variables remain constant, a 1% change in the value of the US dollar against the Canadian dollar would result in an increase / decrease of \$23,000 in the loss from operations.

(b) Credit Risk

The Company's cash and cash equivalents are mainly held through a large Canadian financial institution and at September 30, 2009, are mainly cash in interest bearing accounts and accordingly credit risk is minimized. The Company's receivables are mainly exploration expenditure recoveries and management fees due from joint venture partners.

(c) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through the management of its capital resources as outlined in note 11.

(d) Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The Company's cash is held mainly in interest bearing accounts and therefore there is currently minimal interest rate risk.

11. MANAGEMENT OF CAPITAL

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the development of its mineral properties. Eurasian relies mainly on equity issuances to raise new capital and on entering joint venture agreements on certain properties which enables it to conserve capital and to reduce risk. In the management of capital, the Company includes the components of shareholders' equity as well as cash. The Company prepares annual estimates of exploration expenditures and monitors actual expenditures compared to the estimates to ensure that there is sufficient capital on hand to meet ongoing obligations. The Company's investment policy is to negotiate premium interest rates on savings accounts or to invest its cash in highly liquid short-term deposits with terms of one year or less and which can be liquidated after thirty days without interest penalty. The Company currently has sufficient capital to fund its exploration programs and to cover its administrative costs for the next twelve months.

12. SUBSEQUENT EVENTS

On October 19, 2009 the Company announced the signing of an Agreement to acquire Bronco Creek Exploration Inc. ("BCE"), a privately owned Tucson, Arizona based mineral exploration company with a common director and two common consultant-employees to the Company, all of whom are also minority shareholders of BCE. The Agreement calls for issuance of 2,127,790 EMX units in exchange for 100% of BCE's outstanding shares. Each unit will consist of one common share of EMX and one-half of a non-transferable common share purchase warrant. Each full warrant will entitle BCE shareholders to purchase one additional EMX share for a period of two years from the closing of the transaction at a purchase price of CDN\$2.00 per share. Following completion of the acquisition, BCE shareholders will hold approximately 6.9% of the Company's outstanding shares and, if the warrants issued to them are exercised, they will hold approximately 10.0% of the Company's outstanding shares. Upon completion of the acquisition, BCE will become a wholly-owned subsidiary of EMX, and will continue to focus on advancing and building the Western U.S. exploration property portfolio. The Agreement received conditional approval from the TSX Venture Exchange, and is subject to completion of due diligence reviews and final regulatory approval.

The Company issued 75,000 common shares on exercise of 75,000 stock options at prices ranging from \$1.00 to \$1.35 per option.