SOLID RESOURCES LTD.

(Unaudited – prepared by management)

Interim Financial Statements

For the Nine Months Ended
September 30, 2010

NOTICE TO READER

NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

The accompanying interim financial statements of Solid Resources Ltd. consisting of the interim balance sheet as at September 30, 2010 and the interim statements of operations and deficit and the statements of cash flows for the nine months ended September 30, 2010 have been prepared by management and the Company's independent auditor has not performed a review of these interim financial statements.

"Greg Pendura"

Greg Pendura
Chief Executive Officer

November 29, 2010

SOLID RESOURCES LTD.

Consolidated Balance Sheet
As at September 30, 2010 and December 31, 2009
(Unaudited – prepared by management)

		September 30 2010		December 31 2009
Assets				
Current assets:				
Cash and cash equivalents	$	111,811	$	484,019
Accounts receivable		60		59,132
Prepaid expenses and deposits		13,803		5,364
		125,674		548,515
Capital Assets (Note 4)		2,681		6,946
Mineral properties (Note 5)		8,341,546		8,198,478
	$	8,469,901	$	8,753,939
Liabilities and Shareholders' Equity				
Current liabilities:				
Accounts payable and accrued liabilities	$	893,429	$	541,675
Deposit on share purchase		-		50,000
Notes payable (Note 6)		1,665,739		1,665,739
		2,559,168		2,257,414
Shareholders' Equity:				
Share capital (Note 7)		20,924,675		19,883,175
Contributed surplus (Note 8)		2,450,664		2,439,722
Deficit		(17,464,606)		(15,826,372)
		5,910,733		6,496,525
	$	8,469,901	$	8,753,939

Basis of presentation (Note 1)
Commitments (Note 11)
Subsequent event (Note 15)

See accompanying notes to the consolidated financial statements.

Signed on behalf of the Board:

"Rick Gliege" Director

"Greg Pendura" Director

SOLID RESOURCES LTD.

Consolidated Statement of Operations and Deficit
Nine months ended September 30, 2010 and September 30, 2009
(Unaudited – prepared by management)

	Three months ended		Nine months ended	
	Sept 30, 2010	Sept 30, 2009	Sept 30, 2010	Sept 30, 2009
Expenses:				
Administrative and general	$ 417,936	$ 65,862	$ 1,278,618	$ 224,504
Stock-based compensation (Note 6)	-	8,000	10,942	21,000
Amortization	1,422	1,422	4,265	4,265
Interest on note payable (Note 5)	85,116	42,866	126,805	127,206
Other interest and bank charges	382	1,483	1,653	4,828
	504,856	119,633	1,422,283	381,803
Loss before the following items	(504,856)	(119,633)	(1,422,283)	(381,803)
Other income (expenses):				
Foreign exchange	(13,211)	(1,989)	(68,744)	1,722
Other	840	3,200	4,840	8,000
Impairment of mining properties	-	-	(75,000)	-
Loss before income taxes	(517,227)	(118,422)	(1,561,187)	(372,081)
Income taxes:				
Current	-	24,828	77,047	24,828
Future (reduction)	-	-	-	-
	-	24,828	77,047	24,828
Net loss	(517,227)	(143,250)	(1,638,234)	(396,909)
Deficit, beginning of period	(16,947,379)	(15,901,782)	(15,826,372)	(15,648,123)
Deficit, end of period	$ (17,464,606)	$ (16,045,032)	$ (17,464,606)	$ (16,045,032)
Loss per share, basic and diluted (Note 8)	$ (0.01)	$ (0.01)	$ (0.03)	$ (0.02)
Weighted average number of shares outstanding	55,515,953	28,539,515	51,752,392	25,520,998

Basis of presentation (Note 1)

See accompanying notes to the consolidated financial statements.

SOLID RESOURCES LTD.

Consolidated Statement of Cash Flows
Nine months ended September 30, 2010 and September 30, 2009
(Unaudited – prepared by management)

	Three months ended		Nine months ended	
	Sept 30, 2010	Sept 30, 2009	Sept 30, 2010	Sept 30, 2009
Increase (decrease) in cash:				
Operations:				
Net loss	$ (517,227)	$ (143,250)	$ (1,638,234)	$ (396,909)
Add (deduct) items not affecting cash:				
Amortization of capital assets	1,422	1,422	4,265	4,265
Stock-based compensation	-	8,000	10,942	21,000
	(515,805)	(133,828)	(1,623,027)	(371,644)
Changes in non-cash working capital				
Decrease in accounts receivable	-	-	59,072	27,799
expenses and deposits	-	3,500	(8,439)	(28,347)
Increase (decrease) in accounts				
payable and accrued liabilities	272,828	36,847	351,754	(103,464)
	(242,977)	(93,481)	(1,220,640)	(475,656)
Financing:				
Issue of share capital	210,000	10,000	983,000	412,686
Deposit share purchase	-	-	(50,000)	-
Share issuance costs	-	-	58,500	6,313
Share subscription deposits	-	210,000	-	210,000
	210,000	220,000	991,500	628,999
Investing:				
Mineral properties	(12,596)	(19,484)	(143,068)	(50,907)
	(12,596)	(19,484)	(143,068)	(50,907)
Net increase (decrease) in cash	(45,573)	107,035	(372,208)	102,436
Cash, beginning of period	157,384	27,010	484,019	31,609
Cash, end of period	$ 111,811	$ 134,045	$ 111,811	$ 134,045

See accompanying notes to the consolidated financial statements.

1. Basis of presentation:

Solid Resources Ltd. (the Company) is incorporated under the laws of the Province of Alberta, Canada. Its shares are listed for trading on the TSX Venture Exchange and on the Frankfurt Stock Exchange. The Company is involved in the exploration and development of mineral resource properties and does not currently have a recurring revenue stream.

These consolidated financial statements have been prepared on a "going concern" basis, which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business. The Company's ability to continue as a going concern is dependent on its ability to continue to raise financing and generate revenue in the future. Management believes the Company will attain these goals.

These consolidated financial statements do not give effect to any adjustments which might be necessary if the "going concern" basis were not appropriate.

2. Significant accounting policies:

(a) Consolidation

These consolidated financial statements include the accounts of the Company and its subsidiaries, all of which are wholly-owned.

(b) Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Significant areas requiring the use of management estimates relate to the valuation of resource properties and assumptions used in determining the fair value of non-cash stock-based compensation. Actual results could differ from these estimates.

(c) Cash and cash equivalents

Cash and cash equivalents include cash on hand and balances with banks net of bank overdrafts, and highly liquid temporary money market instruments with original maturities of 3 months or less. At September 30, 2010 and September 30, 2009 the Company held only cash on hand and balances with banks.

2. Significant accounting policies (continued):

(d) Capital assets

Capital assets are recorded at cost less accumulated amortization. Amortization is recorded at rates intended to amortize the cost of the assets over their estimated useful lives, on a straight-line basis, as follows:

Equipment	10% - 20%
Computers, furniture and leasehold improvements	10% - 20%

(e) Exploration -- mineral properties

The Company records its interest in resource properties at cost. Acquisition costs and exploration expenditures relating to properties are deferred and will be amortized against future production or written off if a property is sold or abandoned. Projects with established mineral reserves are assessed periodically by management to determine if recovery of the unamortized costs from future operations or sale of the property is probable. Costs relating to a property abandoned are written off when the decision to abandon is made.

(f) Long-lived assets

Long-lived assets consist of capital assets with finite useful lives and mineral properties. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

The company performs impairment testing on long-lived assets held for use whenever events or changes in circumstances indicate that the carrying value of an asset or group of assets may not be recoverable. Impairment losses are recognized when undiscounted future cash flows from its use and disposal are less than the asset's carrying amount. Impairment is measured as the amount by which the asset's carrying value exceeds its fair value. Any impairment is included in net loss for the year.

(g) Asset retirement obligations

An asset retirement obligation is recognized at its fair value when those obligations are incurred and a reasonable estimate of its fair value is determinable. Discounted future cash flows are used to measure fair value. When a liability is recognized, a corresponding asset retirement cost is capitalized to the carrying amount of the related asset and amortized over the estimated useful life of the related asset. Changes to the liability due to the passage of time are recorded as accretion expense. Changes to the liability arising from revisions to the timing or amount of expected future cash flows are recorded as an increase or decrease to the carrying amounts of the asset retirement obligation and related capitalized asset retirement cost. No obligation has been recorded at this time as the Company has not yet conducted activities that have created retirement obligations.

2. Significant accounting policies (continued):

(h) Future income taxes

The Company follows the asset and liability method of accounting for income taxes. Temporary differences arising from the difference between the tax basis of an asset or liability and its carrying amount on the balance sheet are used to calculate future income tax assets or liabilities. Future income tax assets or liabilities are calculated using tax rates expected to apply in the periods that the temporary differences are expected to be recovered or settled. The effect of a change in income tax rates on future income tax assets and liabilities is recognized in income in the period that the change occurs.

(i) Flow-through shares

Income tax deductions related to exploration expenditures financed by proceeds of flow through share issues are renounced to the investor in accordance with Canadian income tax legislation. The Company records these share issues by crediting share capital for the full amount of the cash consideration received. The tax effects of the renounced deductions are recognized at the time of renunciation by an increase in future income tax liabilities and a reduction of shareholders' equity.

(j) Foreign currency translation

Foreign operations are considered to be integrated with those of the Canadian parent company and are translated into Canadian dollars using the temporal method. Under this method monetary balance sheet items are translated at the exchange rate in effect at the period end, non-monetary items are translated at historical exchange rates and revenue and expenses are translated at the rates prevailing at the transaction date. Gains or losses resulting from translation are included in operations in the period in which they arise.

(k) Stock-based compensation plans

The Company has in place equity incentive plans, which are described in Note 7(c).

The Company records all stock-based payments granted on or after May 1, 2003 using the fair value method. Under this method, the compensation cost of options granted to employees, directors and consultants is recorded as an expense over the period the options vest. The offset is credited to contributed surplus. Compensation cost is the estimated fair value of the award at the grant date based on the Black-Scholes option pricing model. Consideration received on the exercise of stock options is credited to share capital and the related contributed surplus is also transferred to share capital.

2. Significant accounting policies (continued):

(l) Earnings or loss per share

Basic earnings or loss per share is based on the weighted average number of common shares outstanding during the period. Diluted earnings or loss per share is calculated using the treasury stock method. Under this method, the number of common shares used in calculating diluted earnings or loss per share is determined by adding the number of common shares that would be issued under the exercise of warrants and options to the basic weighted average number of shares outstanding, and deducting the number of shares that would be reacquired at the average market price during the period with the proceeds from the assumed exercise of warrants and options. No exercise is assumed in a period in which a net loss is incurred as the assumed exercise of warrants and options would not have a dilutive effect.

(m) Share issue costs

Share issue costs are netted against share proceeds and included in share capital.

(n) Financial instruments

Financial assets and financial liabilities are measured at fair value on initial recognition and recorded on the balance sheet.

Measurement in subsequent period depends on whether the financial instrument has been classified as held-for-trading, available-for-sale, held-to-maturity, loans and receivables or other financial liabilities:

- Financial assets and financial liabilities considered held-to-maturity, loans and receivables, and other financial liabilities subsequent to their initial recognition are stated at amortized cost using the effective interest method.
- Available-for-sale financial assets are subsequently measured at fair value, with unrealized gains and losses from changes in fair value recognized in other comprehensive income (loss). Investments in equity instruments classified as available-for-sale that do not have a quoted market price in an active market are measured at cost.
- Financial assets and liabilities held for trading are measured at fair value, with changes in fair value recognized in the statement of operations in the period in which they arise.

2. Significant accounting policies (continued):

The Company has classified its financial instruments as follows:

Cash and cash equivalents	Held-for-trading
Amounts receivable	Loans and receivables
Accounts payable and accrued liabilities	Other liabilities
Notes payable	Other liabilities

The carrying amounts of cash and cash equivalents, amounts receivables, accounts payable and accrued liabilities and notes payable approximate their fair values or amortized cost due to the short-term nature and high liquidity of these instruments.

The company is not currently involved in hedging.

3. Change in accounting policies:

Effective January 1, 2009 the Company adopted the following CICA Handbook Sections:

- Section 3064, Goodwill and Intangible Assets regarding recognition and testing for impairment of goodwill and intangible assets; and
- Section 3862 and 3855 amendments regarding financial instrument fair value measurements and embedded pre-payment options.

The adoption of this Section and amendments did not have a material impact on the consolidated financial statements.

4. Capital assets:

September 30, 2010		Cost		Accumulated amortization		Net book value
Equipment	$	17,847	$	17,847	$	-
Computers, furniture and leasehold improvements		67,000		64,319	$	2,681
	$	84,847	$	82,166	$	2,681

December 31, 2009		Cost		Accumulated amortization		Net book value
Equipment	$	17,847	$	17,847	$	-
Computers, furniture and leasehold improvements		67,000		60,054	$	6,946
	$	84,847	$	77,901	$	6,946

5. Exploration -- mineral properties:

	Bear Canada	Peru Gold and Copper	Doade- Presqueira Spain	Sunset West Canada	Total
Balance, December 31, 2009	$ 6,381,971	$ -	$ 1,741,507	$ 75,000	$ 8,198,478
Geological fees and expenses	-	-	189,238	-	189,238
Mining rights and taxes	9,282	12,596	6,952	-	28,830
Drilling, sampling, assaying	-	-	-	-	-
Impairment	-	-		(75,000)	(75,000)
Total for the period	9,282	12,596	196,190	(75,000)	143,068
Balance, September 30, 2010	$ 6,391,253	$ 12,596	$ 1,937,697	$ -	$ 8,341,546

Bear Property, Northwest Territories, Canada

The Company holds a 49% interest, subject to a 10% carried interest in profits, in the Bear mineral property located in the Northwest Territories. The Company had an option to purchase the remaining 51% of the Bear mineral property until December 31, 2008. Though this option has expired, negotiations to renew are currently underway. This 51% is owned by a syndicate of individuals, partially related to the Company, including an employee and a previous director. The property consists of approximately 3,845 hectares (9,500 acres) of mineral leases and claims. The property is under exploration primarily for Silver, Zinc, Copper, and Gold. Many holes have been drilled, sampled, and assayed to date. An airborne geophysical survey of this property was completed in March, 2005 and in July and August, 2006 a detailed ground follow-up of the anomalies from the "Resolve" Aeromagnetic survey was performed.

During the month of August, 2008 a geological team carried out a MMI geochemical soil sampling program on the M zone, M1 magnetic anomaly, and the M2 magnetic anomaly (The M1 and M2 is in an ultramafic horizon that has been identified at the north end of Kryon Lake). Also detailed kimberlite indicator mineral sampling was done in the area immediately west of a small pond 200 meters north from the north shore of C Lake where previously there were interesting results from a cluster of anomalous diatreme indicator minerals identified in esker material. The results of the summer program will assist in delineating further exploration targets leading to potential drill programs.

During the quarter, the Company entered into a letter of intent (the "Letter of Intent") dated April 30, 2010 with Golden Lion Resources Inc. now known as Silver Bear Mines Inc. ("Golden Lion") with respect to the proposed transfer of all of Solid's 49% interest in the Bear mineral property located in the Northwest Territories (the "Bear Property") to Golden Lion. The purchase price for the 49% interest in the Bear Property is $3,000,000, and shall be payable: (i) by the assumption of debt (the "Assumed Debt") owing by Solid to certain lenders in the aggregate amount of $1,944,192.00; and (ii) by the issuance and delivery of common shares in the capital of Golden Lion ("Golden Lion Shares") having an aggregate value of $1,055,808.00, which Golden Lion Shares will be distributed to the shareholders of Solid in a tax effective manner. The actual number (not to exceed 2,000,000) and deemed price of the Golden Lion Shares shall be determined at or before the time of execution of the definitive agreement(s) for the proposed transaction. The Bear property was revalued at a value consistent with the purchase arrangement, with a write-down of $1,944,192.

Concurrently with the execution of the Letter of Intent, the Company entered into a debt assumption agreement, pursuant to which Golden Lion assumed the Assumed Debt effective as of April 30, 2010 and the lenders released Solid from any further obligations under the Assumed Debt.

The Board of Directors of Solid have unanimously approved the Letter of Intent and the proposed sale of Solid's 49% interest in the Bear Property. The completion of the proposed purchase transaction is subject to a number of conditions including, negotiation and execution of definitive agreements, receipt of all requisite regulatory approvals, including the TSX Venture Exchange, receipt of the requisite level of approval of the holders of Solid's common shares, if required, and if the proposed transaction proceeds by way of a plan of arrangement, the approval of the applicable court.

Once the transaction is approved by all relevant parties, the value of the Bear property will be adjusted to more accurately reflect the carrying value of the property.

Doade-Presqueira, Spain

The Company has 100% interest in this concession which is located in Northwestern Spain and is 4,902 hectares (12,108 acres) in size. This property is under exploration for Lithium, Tantalum, Tin, Rubidium, and Cesium. Two drilling programs consisting of a total of 17 holes drilled, sampled, and assayed have been completed to date. Property investigation costs are bonus fees paid to the geologist that initially identified the project. Such fees became payable once a certain stage of advancement had been reached.

Sunset West, Northwest Territories, Canada

On September 26, 2008 the Company advanced a loan in the principal sum of $75,000 to Bearing Gold Resources Corp. ("Bearing Gold"). In 2009, the Company forgave the loan in exchange for Bearing Gold's rights, title and interest in its Sunset West Property. Sunset West comprises an 850 hectare mineral claim located approximately 110 kilometers Northeast of Yellowknife, Northwest Territories, Canada and is prospective for Silver, Lead and Zinc.

During the quarter the Company has decided to release its interest in this property.

Peru Gold & Copper Property

The Company entered into a binding option agreement with an arm's length third party (the "Optionor") pursuant to which it acquired the option to purchase a metallic mining license, covering an area of 1,000 hectares, located in Northwest Peru. Under the terms of the option agreement, Solid has the right to purchase the license, during the three year term, by paying the Optionor a total of US$500,000, to be paid in tranches over the course of the period ending on December 2012. The first cash payment of US$4,000 has already been paid to the Optionor. In connection with the option agreement, Solid has agreed to pay 1,000,000 common shares of Solid to a third party finder, subject to approval of the TSX Venture

Exchange. Solid intends to conduct a drilling campaign on the property during the summer of 2010. The exercise of the option will be subject to acceptance by the TSX Venture Exchange.

Measurement uncertainty

The amounts shown as exploration -- mineral properties represent acquisition and/or exploration costs and do not necessarily represent present values or recoverable values. The recoverability of these amounts is dependent upon the confirmation of economically recoverable reserves and profitable production from or sale of the properties.

6. Notes payable:

	September 30, 2010	December 31, 2009
Notes payable	$ 1,665,739	$ 1,665,739
Interest expense included in the Statement of Operations	$ 126,805	$ 169,838
Accrued interest included in accounts payable and accrued liabilities	$ 391,833	$ 365,028

In 2008 the company signed a note payable of $125,000 at 12% per annum. The debt is due from and after the date which is (3) months from April 11, 2008, on demand upon ninety (90) days prior written notice to the Company.

The remaining notes payable are due to two shareholders and an employee of the company and bear interest at the rate of 10% per annum. $60,000 of the debt is due from and after the date which is (6) months from February 11, 2008, on demand upon ninety (90) days prior written notice to the Company. $300,000 of the debt is due from and after the date which is (6) months from August 22, 2007, on demand upon ninety (90) days prior written notice to the Company. The remainder of the debt, $1,180,739 has a due date from and after December 1, 2007, on demand upon ninety (90) days prior written notice to the Company.

$1,555,739 of the notes payable are secured by first security interest in the Corporation's Bear Property mining claims, and $110,000 of the notes payable are secured by a second charge on the same property.

Subsequent to March 31, 2010 the Company signed a letter of intent as approved by the Board of Directors with Golden Lion Resources Inc. (Golden) to sell the Company's 49% interest in the Bear Property for $3,000,000. The purchase price will be paid by an assumption of debt owing by the Company to certain lenders in the amount of $1,944,192 and by the issuance and delivery of common shares of Golden having an aggregate value of $1,055,808. The Company intends to distribute the common shares of Golden to the Company's shareholders in a tax effective manner. The actual number and deemed price of the common shares will be determined at or before the execution of the agreement. The debt has been assumed by the other Company.

7. Share capital:

(a) Authorized:

Unlimited number of common shares.

(b) Issued:

	Number of shares		Amount
Balance at December 31, 2008	20,384,555	$	18,611,176
Common shares issued during the period:			
For cash under private placements	24,710,000		1,235,500
For settlement of accounts payable	1,254,960		62,749
Share issuance costs	-		(26,250)
Balance at December 31, 2009	46,349,515		19,883,175
Common shares issued during the period:			
For cash under private placements	8,100,000		810,000
For finders fees for the Peru property	1,000,000		210,000
Warrants exercised during the period	1,050,000		80,000
Share issuance costs			(58,500)
Balance at September 30, 2010	56,499,515		20,924,675

7. Share capital (continued):

(c) Stock options:

The Company has in place equity incentive plans under which a combined total of 1,800,000 options to purchase common shares can be granted to employees, directors, officers, or consultants. Under these plans, the exercise price of each option shall not be less than the price permitted by any stock exchange on which the Common Shares are then listed or other regulatory body having jurisdiction. The option's term and vesting period is to be determined individually by the Board of Directors or, if appointed, by a special committee.

	Period ended September 30, 2010		Year ended December 31, 2009	
	Options	Weighted average exercise price	Options	Weighted average exercise price
Beginning	1,800,000	$ 0.16	1,350,000	$ 0.24
Granted	-	-	1,400,000	0.14
Cancelled/expired	-	-	(950,000)	0.24
Ending	1,800,000	$ 0.16	1,800,000	$ 0.16

Details of options outstanding at September 30, 2010 under individual option issues are as follows:

Quantity	Weighted average exercise price	Expiry date
400,000	$ 0.24	February 6, 2013
150,000	$ 0.24	May 6, 2014
450,000	$ 0.10	August 27, 2014
250,000	$ 0.10	October 7, 2014
550,000	$ 0.17	November 24, 2014
1,800,000	$ 0.16	

7. Share capital (continued):

(d) Stock-based compensation:

The fair value of each stock option grant was calculated using the Black-Scholes Option Pricing Model incorporating the following weighted average assumptions:

	September 30, 2010	December 31, 2009
Risk free interest rate	0.25%	0.25%
Expected dividend yield	Nil	Nil
Expected stock price volatility	150%	150%
Expected option life	5 years	5 years
Weighted average grant date fair value per option	$ 0.05-0.17	$ 0.05-0.17

Stock-based compensation reported includes the following:

Period ended September 30, 2010 – no stock options were issued, expired, or exercised.

Year ended December 31, 2009 – On May 6, 2009 the company issued 150,000 stock options to a director of the Company with a strike price of $0.24 and an expiry date of May 6, 2014. On August 27, 2009 the Company issued 450,000 stock options to directors of the Company with a strike price of $0.10 and an expiry date of August 27, 2014. On October 7, 2009 the Company issued 250,000 stock options to a director of the Company with a strike price of $0.10 and an expiry date of October 7, 2014. On November 24, 2009 the Company issued 550,000 stock options to directors of the Company with a strike price of $0.165 per share and an expiry date of November 24, 2014. The company also cancelled 550,000 stock options during the year. All options issued during 2009 vested 25% at date granted, 25% in three months, 25% in six months and 25% in one year.

Measurement uncertainty

The Black-Scholes Option Pricing Model was developed for use in estimating the fair value of traded options that have no vesting restrictions and are fully transferable. The employee stock options issued by the Company generally are non-transferable and vest over time. Option pricing models require the input of subjective assumptions including expected share price volatility. The fair value estimate can vary materially as a result of changes in the assumptions.

7. Share capital (continued):

(e) Warrants:

Period ended September 30, 2010 – No warrants were granted or expired. 1,050,000 warrants were exercised during the period.

Year ended December 31, 2009 – On May 4, 2009, the Company issued 6,900,000 units comprising of one common share and one warrant entitling the holder to purchase once additional common share at a price of $0.075 until April 16, 2010 and $0.10 from April 17, 2010 until April 16, 2011. On November 5, 2009, the Company issued 17,810,000 units comprising of one common share and one warrant entitling the holder to purchase one additional common share at a price of $0.10 until November 5, 2010 and $0.20 from November 6, 2010 – November 5, 2011.

	Period ended September 30, 2010		Year ended December 31, 2009	
	Warrants	Weighted average exercise price	Warrants	Weighted average exercise price
Beginning	24,710,000	$ 0.15	4,079,034	$ 0.20
Granted	8,100,000	0.05	24,710,000	0.15
Exercised	(1,050,000)	0.09	-	-
Cancelled/expired	-	-	(4,079,034)	0.20
Ending	31,760,000	$ 0.13	24,710,000	$ 0.15

Assumptions used in the calculation of the fair value of broker warrants issued are consistent with those disclosed in Note 7(d) above.

8. Contributed surplus:

	Period Ended September 30, 2010	Year ended December 31, 2009
Balance, beginning of period	$ 2,439,722	$ 2,316,220
Increase from stock-based compensation - fair value of stock options granted	10,942	123,502
Balance, end of period	$ 2,450,664	$ 2,439,722

9. Related Party Transactions

The Company entered into the following transactions with related parties:

a) Paid or accrued consulting fees of $6,000 (2009 - $nil) to the chief executive officer and director of the Company.

b) Paid or accrued consulting fees of $15,000 (2009 - $nil) to an operational and financial officer and director of the Company.

c) Paid or accrued consulting fees of $15,000 (2009 - $nil) to a former financial officer of the Company.

d) Paid or accrued directors fees of $9,000 (2009 - $nil) to the three directors of the Company.

These transactions were in the normal course of operations and were measured at the exchange amount which is the amount of consideration established and agreed to by the related parties.

In January, 2010, the Company agreed to pay a finder's fee in the amount of 200,000 common shares to each of five individual finders respecting the option contract to purchase the metallic mining license CHALCU in Piura, Peru held by an arm's length third party introduced by the finders. Subsequent to this agreement, Mr. Tony Spat became a director of the Company. During the quarter, the Company issued the 200,000 common shares to Mr. Spat.

10. Financial Instruments:

(a) Fair value

The Company's financial instruments included cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities and notes payable. It is management's opinion that the fair values of all financial instruments approximate their carrying values.

(b) Foreign currency risk

Denominated in Euros, the Company has cash of 63,653€, accounts receivable of 33,060€ and accounts payable and accrued liabilities of 25,975€. The value of these items may change due to fluctuation in exchange rates. The Company does not use derivative instruments to reduce its exposure to foreign currency risk. It is management's opinion that foreign currency risk is not significant.

(c) Interest rate risk

The Company's finical instruments are not exposed to interest rate risk as the interest rate on its note payable is fixed.

(d) Credit risk

The Company's financial assets that are exposed to credit risk consist of cash and cash equivalents and accounts receivable.

11. Commitments:

In 2006, the Company entered into an agreement expiring December 2016 to share certain operating costs with a limited partnership. The agreement calls for a portion (maximum 25% less fees) of the shared costs to be paid by the limited partnership to the Company in cash. The balance of the costs has been included as a long-term note receivable bearing interest at 5%. The note receivable was immediately fully offset by an impairment allowance due to collectability uncertainties. In exchange the agreement calls for annual fees to be paid to the limited partnership calculated as 10% of revenues from January 1, 2007 until expiration of the agreement. The agreement permits the offset of annual fees payable against interest due on the note receivable descried above.

The Company has entered into a rental agreement for office space expiring March 31, 2012. Lease payments over the next for years related to this agreement are as follows:

2011	$37,208
2012	$9,437

12. Financial risk exposure and risk management

The Company is exposed in varying degrees to a number of risks arising from financial instruments. Management's close involvement in the operations allows for identification of risks and variances from expectations. The Company does not participate in the use of financial instruments to mitigate these risks and has no designated hedging transactions. The Company's notes payable are collateralized through first security changes on mining properties as disclosed in Note 6.

The Company's main objectives for managing risks are to ensure liquidity, the fulfillment of obligations, the continuation of the Company's exploration program, and limited exposure to credit and market risks. There were no changes to the objectives of the process from the prior year.

The type of risk exposure and the way in which such exposures are managed are as follows:

(a) Credit risk:

Credit risk primarily arises from the Company's cash and cash equivalents, and accounts receivable. The risk exposure is limited to their carrying amounts at the balance sheet date. Cash and cash equivalents are held as cash deposits or invested in guaranteed investment certificates with various maturity dates. The Company does not invest in asset-backed deposits or investments and does not expect any credit losses.

The company periodically assesses the quality of its investments and is satisfied with the credit rating of the bank. To reduce credit risk, the Company regularly reviews the collectability of its amounts receivable and establishes an allowance based on its best estimate of potentially uncollectible amounts. No allowance for uncollectible amounts was required at September 30, 2010 except as disclosed in Note 10.

(b) Liquidity risk:

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due.

The Company ensures there is sufficient capital to meet short term business requirements. One of the management's goals is to maintain an optimal level of liquidity through the active management of the assets, liabilities and cash flows.

12. Financial risk exposure and risk management (continued)

The Company does not have cash inflows from operations. To maintain liquidity, the Company relies on proceeds from issuance of shares in private placements and notes payable. The Company's cash equivalents are invested in funds which are available on demand to fund the Company's costs and other financial demands.

(c) Market risk:

The significant market risks to which the Company is exposed are currency, interest rate and commodity price risk.

(i) Currency risk:
The Company has Currency risk relating to funds held in Euros relating to the Solid Mines Espana project. At September 30, 2010 the Company held the following balances in Euros (noted in their Canadian dollar equivalent):

Cash:	$ 89,122
Accounts receivable	$ 40,653
Accounts payable, and Accrued liabilities	$ 36,365

(ii) Interest rate risk:
The Company's policy is to invest cash in guaranteed investment certificates at fixed or floating rates of interest and cash equivalents are to be maintained in floating rates of interest in order to maintain liquidity, while achieving a satisfactory return for shareholders. The Company manages risk by monitoring changes in interest rates in comparison to prevailing market rates.

For financial liabilities, the notes payable bear interest at fixed rates of 10% and 12% and are not subject to short term fluctuations in interest rates.

(d) Commodity risk:

The value of the Company's mineral resource properties depends on the price of copper, gold and other minerals and the outlook for these minerals. During economic downturns, the Company minimizes this risk by acquiring mineral properties at depressed values. In addition, the Company's exposure to the commodity price risk is reduced as none of the properties are in the production stage.

13. Capital Management

The Company's objectives in managing its capital is to ensure the Company's ability to continue as a going concern, to meet its capital expenditures and exploration programs in Canada and the rest of the world and to maintain a flexible capital structure of equity and debt financing to optimize the costs of capital with minimal risks. The Company considers notes payable and the items included in shareholder's equity to be capital.

The Company manages its capital structure with ongoing reviews and will modify the structure in light of economic conditions and operating environments. In adjusting its capital structure , the Company may need to issue new shares or debt instruments, bring in joint ventures partners or make changes to its strategic investment assets.

To manage its capital, the Company prepares annual capital and operational budgets which are updated as necessary to account for changes in the risk factors in the mining industry and economic conditions in the jurisdictions the Company operates.

14. Segment disclosure

Solid Resources Ltd. operates two business segments which have been segmented based on how management analyzes performance and makes decisions. These business segments are differentiated by geographical area; they include Spanish operation and North American plus all other international operations. Geographical information regarding exploration properties is detailed in Note 5. Included within expenses is $198,182 (2009 - $nil) of administration and general expenses relating to Spanish operations.

15. Subsequent event

Subsequent to the quarter, on November 18, 2010, the Company announced that it has closed the non-brokered private placement of Units for aggregate gross proceeds of $1,250,000 (the "Offering"), previously announced on November 4, 2010, subject to TSX Venture Exchange final approval.

The Company issued a total of 20,833,333 Units at a price of $0.06 per Unit. Each Unit consists of one Common Share and one Common Share Purchase Warrant. Each Warrant is exercisable into one additional Common Share for a period of 18 months after the closing at a price of $0.10 per Common Share. The securities issued in connection with the Offering will be subject to a four month hold period that expires on March 18, 2011.