



SELWYN RESOURCES LTD.

FINANCIAL STATEMENTS

March 31, 2010

(Unaudited Interim Financial Statements)

SELWYN RESOURCES LTD.
BALANCE SHEETS
Prepared by Management

	March 31, 2010 (Unaudited)	December 31, 2009 (Audited)
ASSETS		
CURRENT ASSETS		
Cash (Note 10 (a))	\$ 4,916,931	\$ 6,675,448
Accounts receivable and prepaid expenses (Note 9)	231,950	186,647
Marketable securities (Note 7)	-	78,804
	5,148,881	6,940,899
DEPOSIT	23,448	23,448
INVESTMENT (Notes 2 (h) and 3)	401,693	436,217
PROPERTY AND EQUIPMENT (Note 4)	1,168,026	1,220,910
DEFERRED PROPERTY COSTS (Note 5 and schedule of costs)	63,717,381	62,610,577
	\$ 70,459,429	\$ 71,232,051
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities (Note 9)	\$ 595,828	\$ 446,344
FUTURE INCOME TAX LIABILITY (Note 8)	5,208,374	5,429,097
SHAREHOLDERS' EQUITY		
SHARE CAPITAL (Note 6 (b))	70,110,377	70,213,069
CONTRIBUTED SURPLUS (Note 6 (e))	6,442,400	6,331,911
DEFICIT	(11,897,550)	(11,188,370)
	64,655,227	65,356,610
	\$ 70,459,429	\$ 71,232,051

Continuance of Operations (Note 1)
Commitments (Note 10)
Subsequent Events (Note 13)

APPROVED BY THE BOARD OF DIRECTORS

"Robert Yeoman" (signed)

Director – Robert Yeoman

"Harlan Meade" (signed)

Director – Harlan Meade

The accompanying notes are an integral part of these financial statements

SELWYN RESOURCES LTD.
STATEMENTS OF OPERATIONS, COMPREHENSIVE LOSS AND DEFICIT
Unaudited – Prepared by Management

	Three Months Ended	
	March 31, 2010	March 31, 2009
ADMINISTRATIVE EXPENSES		
Amortization	\$ 66,667	\$ 80,239
Consulting	16,550	-
Investor relations	232,396	55,947
Regulatory fees	13,694	8,048
Professional fees	236,862	39,540
Rent and office services	144,606	116,005
Salaries and benefits	348,322	273,306
	1,059,097	573,085
OTHER ITEMS		
Interest income	(3,969)	(7,567)
Part XII.6 tax	3,748	328
Miscellaneous income	(9,040)	(7,804)
Loss on equity investment (Note 3)	34,524	20,729
Fair value adjustment (Note 7)	78,804	-
Stock-based compensation (Note 6 (d))	110,489	214,761
LOSS BEFORE TAXES	(1,273,653)	(793,532)
Future tax recovery (Note 8)	564,473	954,023
NET INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS)	(709,180)	160,491
DEFICIT, BEGINNING OF PERIOD	(11,188,370)	(9,387,368)
DEFICIT, END OF PERIOD	\$ (11,897,550)	\$ (9,226,877)
BASIC AND DILUTED EARNINGS (LOSS) PER SHARE (Note 2 (e))	\$ 0.00	\$ 0.00
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING	304,935,294	201,412,178

The accompanying notes are an integral part of these financial statements

SELWYN RESOURCES LTD.
STATEMENTS OF CASH FLOWS
Unaudited – Prepared by Management

	Three Months Ended	
	March 31, 2010	March 31, 2009
CASH PROVIDED BY (USED FOR):		
OPERATING ACTIVITIES		
Net income (loss) and comprehensive income (loss) for the period	\$ (709,180)	\$ 160,491
Adjustment for items not involving cash:		
Amortization	66,667	80,239
Stock-based compensation	110,489	214,761
Fair value adjustment	78,804	-
Loss on equity investment	34,524	20,729
Future tax recovery	(564,473)	(954,023)
	(273,989)	(638,294)
Changes in non-cash working capital items:		
Accounts receivable and prepaid expenses	(45,303)	212,538
Deposit	-	(1,116)
Accounts payable and accrued liabilities	66,093	42,042
	20,790	253,464
	(962,379)	(224,339)
FINANCING ACTIVITIES		
Shares issued for cash	246,483	-
Share issuance costs	(5,425)	-
	241,058	-
INVESTING ACTIVITIES		
Deferred property costs	(1,023,414)	(291,076)
Investment	-	(70,000)
Purchase of property and equipment	(13,782)	(100,650)
	(1,037,196)	(461,726)
DECREASE IN CASH	(1,758,517)	(686,065)
CASH, BEGINNING OF PERIOD	6,675,448	3,645,086
CASH, END OF PERIOD	\$ 4,916,931	\$ 2,959,021
SUPPLEMENTARY INFORMATION:		
Accounts payable related to deferred property cost	\$ 163,298	\$ 147,207
Interest received	\$ 3,969	\$ 7,567
Part XII.6 tax paid	\$ -	\$ 1,027

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**SELWYN RESOURCES LTD.
SCHEDULE OF DEFERRED PROPERTY COSTS
FOR THE PERIOD ENDED MARCH 31, 2010 (UNAUDITED)**

	Vinata	Selwyn Project	Total
	\$	\$	\$
EXPLORATION AND DEVELOPMENT COSTS			
Assays	-	1,856	1,856
Engineering	-	369,513	369,513
Environment, permitting and community affairs	-	431,763	431,763
Field equipment and supplies	-	4,947	4,947
Fuel	-	138	138
Geological	-	209,993	209,993
Labour	-	17,048	17,048
Land and recording fees	-	6,569	6,569
Travel, freight and warehouse	-	314	314
Exploration and development costs incurred during the period	-	1,042,141	1,042,141
Balance, beginning of period	-	56,693,693	56,693,693
Balance, end of period	-	57,735,834	57,735,834
ACQUISITION COSTS*			
Balance, beginning of period	561,308	5,355,576	5,916,884
Acquisition costs	64,663	-	64,663
Balance, end of period	625,971	5,355,576	5,981,547
TOTAL COSTS, end of period	625,971	63,091,410	63,717,381

* Acquisition costs include option payments and staking costs.

The accompanying notes are an integral part of these financial statements

**SELWYN RESOURCES LTD.
SCHEDULE OF DEFERRED PROPERTY COSTS
FOR THE YEAR ENDED DECEMBER 31, 2009**

	Vinata	Selwyn Project	Total
	(\$)	(\$)	(\$)
EXPLORATION AND DEVELOPMENT COSTS			
Accommodation and meals	-	105,946	105,946
Assays	-	11,114	11,114
Drilling	-	798,101	798,101
Engineering	-	382,099	382,099
Environment, permitting and community affairs	-	908,095	908,095
Field office	-	12,023	12,023
Field equipment and supplies	-	327,127	327,127
Fuel	-	193,182	193,182
Geological	-	808,634	808,634
Helicopter and fixed wing	-	497,633	497,633
Labour	-	378,605	378,605
Land and recording fees	-	43,279	43,279
Travel, freight and warehouse	-	58,333	58,333
Exploration and development costs incurred during the year	-	4,524,171	4,524,171
Balance, beginning of year	-	52,169,522	52,169,522
Balance, end of year	-	56,693,693	56,693,693
ACQUISITION COSTS *			
Balance, beginning of year	-	3,813,526	3,813,526
Acquisition costs	561,308	1,542,050	2,103,358
Balance, end of year	561,308	5,355,576	5,916,884
TOTAL COSTS, end of year	561,308	62,049,269	62,610,577

* Acquisition costs include option payments and staking costs.

The accompanying notes are an integral part of these financial statements

**SELWYN RESOURCES LTD.
NOTES TO FINANCIAL STATEMENTS
(UNAUDITED)**

1. NATURE OF OPERATIONS AND CONTINUANCE

The predecessor Company, Pacifica Resources Ltd., was incorporated in British Columbia on March 9, 2004 as a wholly owned subsidiary of Yukon Zinc Corporation (“Yukon Zinc”), formerly Expatriate Resources Ltd. The Company became a public company on December 20, 2004, upon completion of Yukon Zinc’s re-organization, from which the Company acquired certain assets and a portfolio of mineral properties.

On June 6, 2007 (the “Effective Date”), the Company completed a Plan of Arrangement (“Arrangement”), pursuant to which Savant Explorations Ltd. (“Savant”) acquired the Company’s interest in the Yava polymetallic massive sulphide property in Nunavut, the Blue Moon base-precious metal property in California, the Tillex copper prospect in Ontario, the various copper projects in Chile and warrants to purchase 4,000,000 common shares of StrataGold Corporation, for a total of 12,857,143 common shares of Savant that were distributed to the holders of the Company’s shares. On exercise of each one of the Company’s options or warrants outstanding on the Effective Date, the holder is entitled to receive 0.1083829 Savant shares, and the Company is obligated (the “Savant Commitment”) to reimburse Savant \$0.35 for each Savant share issued. Upon completion of the Arrangement, the Company changed its name to Selwyn Resources Ltd. (“Selwyn”) to reflect the focus of the Company in developing its zinc-lead Selwyn Project. Subsequently, Selwyn has subscribed for shares of Savant in several rounds of private placement.

The business activity of the Company is the acquisition and exploration of property interests that are considered to have the potential for economic mineralization. At the date of these financial statements, the Company has not defined a mineral resource for which a feasibility study has determined economic viability, and the ability of the Company to recover the costs it has incurred to date on these property interests is dependent upon the Company being able to identify a commercial ore body, to finance its exploration and development costs and to resolve any environmental, regulatory or other constraints which may hinder the successful development of the properties. The continuing operations are dependent on raising funds to carry on operations. There can be no assurance that the Company will be able to raise sufficient funds as and when such funds are required.

Management has considered the effects of the increased uncertainty in recent financial markets and has modified its work plans to undertake only those key items necessary to advance the Selwyn Project to bankable feasibility and completion of permitting.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These interim financial statements of the Company have been prepared in accordance with Canadian Generally Accepted Accounting Principles (“GAAP”) and reflect the following:

(a) Deferred Property Costs

The cost of mineral properties and related exploration and development expenditures are deferred until the properties are placed into production, sold or abandoned. These deferred costs will be amortized over the estimated useful life of the properties following the commencement of production or written off if the properties are sold, allowed to lapse or abandoned.

Cost includes any cash consideration and advance royalties paid and the fair market value of shares issued on the acquisition of property interests. Properties acquired under option agreements, whereby payments are made at the sole discretion of the Company, are recorded in the accounts when the payments are made. The recorded amounts of property acquisition costs and their related deferred exploration costs represent actual expenditures incurred and are not intended to reflect present or future values.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Although the Company has taken steps to verify title to mineral properties in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property may be subject to unregistered prior agreements or inadvertent non-compliance with regulatory requirements.

(b) Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of any contingent assets and liabilities as at the date of the financial statements, as well as the reported expenses incurred during the period. Significant areas requiring the use of management estimates relate to the continuing viability of mineral property interests, the determination of stock-based compensation and the component variables of the Black-Scholes calculation, determination of valuation allowances for future income tax assets and future income tax liabilities and the rates used for amortization. Actual results could differ from these estimates.

(c) Flow-through Shares

Under the Canadian *Income Tax Act* an enterprise may issue securities referred to as flow-through shares, whereby the investor may claim the tax deductions arising from qualifying expenditures that the Company made with the proceeds. On the date that the Company files the renunciation documentation with the tax authorities to renunciate the tax credits associated with the exploration expenditures and the Company has reasonable assurance that the qualifying expenditures will be completed, future income tax liabilities are recognized (renounced expenditures multiplied by the effective corporate tax rate), thereby reducing share capital. Previously unrecognized tax assets may then offset or eliminate the liability recorded.

(d) Share Capital

Common shares or securities issued for non-monetary consideration are recorded at their fair market value as determined by the Board of Directors of the Company, based on the trading price of the shares.

When the proceeds of flow-through financings are received, the Company is obligated to incur the underlying exploration expenditures; however, the Company does not recognize such future expenditures as liabilities for the purpose of its financial reporting.

Warrant consideration issued for assets acquired or expenses incurred are measured on a fair market value basis, with offsetting credits recorded in contributed surplus.

(e) Loss per Share

Loss per share is calculated using the weighted-average number of common shares outstanding during the period. Fully-diluted loss per share information is not disclosed as it would be anti-dilutive.

(f) Stock-based Compensation

The Company records compensation expense associated with stock options granted to directors and employees using a fair market value measured basis and records the expense as the options vest. The compensation expense effectively increases contributed surplus and deficit by the same amount and has no net effect on shareholders' equity or cash flows.

Consideration received on the exercise of stock options is recorded as share capital and the related contributed surplus, recognized initially as the options vested with the recipient, is transferred to share capital, as are contributed surplus amounts applicable to warrants that are exercised.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Income Taxes

The Company accounts for future tax assets and liabilities in accordance with the liability method, whereby future tax assets and liabilities are recognized for tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their tax bases. Future tax assets and liabilities are measured using tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be settled. When the future realization of income tax assets does not meet the test of being more likely than not to occur, a valuation allowance in the amount of the potential future benefit is taken and no net asset is recognized.

(h) Investment

Investments in companies over which the Company can exercise significant influence are accounted for using the equity method. When there is a loss in value of an investment that is other than a temporary decline, the investment would be written down to recognize the loss in the determination of net income or loss.

(i) Property and Equipment

Property and equipment are recorded at cost, net of estimated residual value, and carried net of accumulated amortization. They are amortized over their estimated useful economic lives on a declining balance basis at annual rates of 30% for computer equipment, 30% for vehicles, 20% for field equipment, furniture and fixtures, 100% for computer software and 10 years straight-line amortization for leasehold improvements. In the year of acquisition, only 50% of the annual rate will be applied. Repairs and maintenance expenditures are expensed as incurred. Applicable expenditures that extend the useful lives of existing equipment are capitalized and depreciated over the remaining useful life of the related assets.

(j) Asset Retirement Obligations

The Company has adopted Accounting Standards Section 3110 "asset retirement obligations," which establishes standards for the recognition, measurement and disclosure of liabilities for asset retirement obligations and the associated asset retirement costs. The standards apply to legal obligations associated with the retirement of long-lived tangible assets that arise from the acquisition, construction, development or normal operation of such assets. The standards require that a liability for an asset retirement obligation be recognized in the period in which it is incurred and when a reasonable estimate of the fair value of the liability can be made. Furthermore, a corresponding asset retirement cost should be recognized by increasing the carrying amount of the related long-lived asset. The asset retirement cost is subsequently allocated in a rational and systematic method over the underlying asset's useful life. The initial fair value of the liability is accreted, by charges to operations, to its estimated normal future value. Management of the Company has determined that there are no material assets retirement obligations in effect in the current period.

(k) Transaction Costs

Transaction costs for assets and liabilities classified as held-for-trading are expensed as incurred.

(l) Impairment of Long-Lived Assets

The Company reviews the carrying value of its property interests as well as property and equipment on a periodic, or annual, basis against their fair value and will recognize impairment in value based upon current exploration results and upon management's assessment of the future probability of profitable revenues from the property or from the sale of the property. Management's assessment of the properties' estimated current fair market value may also be based upon a review of other property transactions that have occurred in the same geographic area as that of the property under review.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(m) Financial Instruments

Financial instruments are measured at fair value on initial recognition of the instrument. Measurement in subsequent periods depends on whether the financial instrument has been classified as “held-for-trading,” “available for sale,” “held-to-maturity,” “loans and receivable,” or “other financial liabilities” as defined by the Canadian Institute of Chartered Accountants (“CICA”) handbook Section 3855, Financial Instruments – Recognition and Measurement. The Company’s financial instruments, which consist of cash, receivables, marketable securities, accounts payable and accrued liabilities, are all classified as ‘held-for-trading.’ These financial assets and liabilities are measured at fair value with changes in those fair values recognized in net earnings.

The CICA Section 3862, Financial Instruments – Disclosures, requires disclosure about fair market value measurements for financial instruments and liquidity risk using a three-level hierarchy that reflects the significance of the inputs used in making the fair value measurements. The three-level hierarchy is as follows:

- Level 1 – measurement based on quoted prices (unadjusted) observed in active markets for identical assets or liabilities;
- Level 2 – measurement based on inputs other than quoted prices that are observable for the assets or liabilities;
- Level 3 – measurement based on inputs that are not observable (supported by little or no market activity) for the asset or liability.

(n) Accounting Policies Not Yet Adopted

International Financial Reporting Standards (“IFRS”)

In February 2008, the Canadian Accounting Standard Board (“AcSB”) announced that 2011 is the changeover date for publicly-listed companies to use IFRS, replacing Canada’s own GAAP. The date is for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. The transition date of January 1, 2010 will require the restatement for comparative purposes of amounts reported by the Company for the interim periods and for the year ended December 31, 2010. The Company expects the transition to IFRS to impact accounting policies, financial reporting and information technology systems and processes.

3. INVESTMENT

	Carrying Value	Market Value	Ownership
Savant Explorations Ltd.	\$401,693	\$793,950	23.3% (see Note 13 (c))

The Company holds 8,821,667 Savant shares with a carrying value of \$401,693. Selwyn also has 1,594,167 share purchase warrants which are financial instruments and are classified separately as marketable securities (Note 7) under Current Assets.

Under the equity method of accounting, the Company recorded a loss of \$34,524, which represented its equity portion of Savant’s loss for the first quarter of 2010.

**SELWYN RESOURCES LTD.
NOTES TO FINANCIAL STATEMENTS
(UNAUDITED)**

4. PROPERTY AND EQUIPMENT

			March 31 2010			December 31 2009
	Costs		Accumulated Amortization		Net Book Value	Net Book Value
Furniture and fixtures	\$ 100,036	\$	37,104	\$	62,932	\$ 65,020
Software	23,597		17,162		6,435	2,352
Computer equipment	123,416		66,638		56,778	53,837
Vehicles	390,192		245,076		145,116	156,882
Field equipment	1,711,750		865,606		846,144	890,678
Leasehold improvements	60,838		10,217		50,621	52,141
	\$ 2,409,829	\$	1,241,803	\$	1,168,026	\$ 1,220,910

Field equipment consists of electricity generators, bulldozers and other earth moving equipment, camp shelters, GPS and communication systems.

5. DEFERRED PROPERTY COSTS

Selwyn, Yukon

On August 18, 2005, the Company completed an agreement to acquire 100% of the Howard's Pass Joint Venture property (referred to subsequently as part of the "Selwyn Project") in the Yukon and Northwest Territories from Placer Dome (CLA) Ltd. ("Placer Dome") and Cygnus Mines Ltd. ("Cygnus"), a subsidiary of US Steel Corporation. With the acquisition of Placer Dome by Barrick Gold Corporation, the interest of Placer Dome was transferred to Terrane Metals Corp. ("Terrane Metals"). The terms call for \$10 million in cash option payments (of which \$5.0 million has been paid as at March 31, 2010), the completion of a \$3.5 million work program before August 15, 2007 (completed) and up to \$10 million (adjusted for inflation from Year 7 of the agreement) in future contingent payments derived from a 20% Net Profits Interest (NPI) on production and a 1% Net Smelter Royalty (NSR) royalty. Remaining option payments are due as follows:

Due Date	Amount
August 15, 2010	\$1,500,000
August 15, 2011	\$1,500,000
August 15, 2012	\$2,000,000
	\$5,000,000

Under a re-investment option, Terrane Metals and Cygnus each have the right to re-invest all, or a portion of, these property payments proceeds in units of the Company, each unit consisting of one common share and one half common share purchase warrant valid for two years from the date of receipt of regulatory approval for the private placement. The re-investment units are to be priced using the 20-day weighted average trading price of Selwyn shares prior to the payment date. Each whole warrant shall be priced at 120% of the closing price of Selwyn common share on the purchase date of the units or the minimum exercise price permitted under applicable securities laws or stock exchange policies, whichever is greater. This re-investment option is limited to the extent that each of Terrane Metals' and Cygnus' shareholdings do not exceed 20% of the then-issued shares of Selwyn, including the deemed conversion of any warrants held by them. Selwyn will have the right of first opportunity to identify purchasers for any Selwyn shares acquired by Terrane Metals and Cygnus pursuant to the re-investment option that they wish to sell. To date neither Terrane Metals nor Cygnus has exercised the re-investment option.

**SELWYN RESOURCES LTD.
NOTES TO FINANCIAL STATEMENTS
(UNAUDITED)**

5. DEFERRED PROPERTY COSTS (continued)

The Company entered into a Framework Agreement dated December 12, 2009 with Yunnan Chihong Zinc and Germanium Co., Ltd. ("Chihong") of Yunnan, China. The Framework Agreement provides for Chihong to provide CAD\$100 million for exploration and development expenditures on the Selwyn Project to earn a 50% joint venture interest in the Selwyn Project. The Company will recover, from Chihong, development expenditures made from July 2009 to closing. The funds from Chihong are to be deposited in a Joint Venture account on closing and are to be spent under approved programs of the Joint Venture. The primary purposes on which the funds from Chihong are to be spent are the completion of a bankable feasibility study in respect of the Selwyn Project and the obtaining of a Quartz Mining Licence and a Type A Water Licence for the XY and Don Deposits of the Selwyn Project.

A Joint Venture Agreement is currently being negotiated. The closing of the transaction is subject to receipt of regulatory approvals by each of the Company and Chihong and the finalization of all required documentation. The Framework Agreement may be terminated by either party if the closing of the transaction has not occurred by June 7, 2010.

Vinata, Mexico

On August 13, 2009 the Company received regulatory approval to acquire up to 55% interest in Savant's Vinata property ("Vinata"), located in the state of Chihuahua in north-central Mexico.

The Company entered into an option agreement ("Vinata Agreement") to acquire an initial 50% joint venture ("JV") interest in Vinata through the acquisition of 1,000 shares of Savant Explorations Mexico Ltd. ("SEM"), a Savant wholly-owned subsidiary that holds Vinata, by providing USD\$1.0 million for expenditures on Vinata over a period of 30 months (a minimum of USD\$500,000 was paid to satisfy initial earn-in requirements before January 15, 2010, another USD\$300,000 before July 15, 2011, and another USD\$200,000 before February 15, 2012 and a cash payment of CAD\$100,000 on completion of the earn-in expenditures by February 15, 2012). As at March 31, 2010, the Company had contributed USD\$561,687 to Savant Explorations Mexico Ltd. (see Schedule of Deferred Property Costs).

Upon vesting the initial 50% JV interest, the Company will have an exclusive option to acquire an additional 5% JV interest by providing an additional USD\$500,000 no later than February 15, 2013 for property expenditures on Vinata and another cash payment of CAD\$100,000 to Savant.

6. SHAREHOLDERS' EQUITY

- (a) Authorized share capital consists of an unlimited number of common shares without par value, unlimited number of Class A preferred shares with no par value, and an unlimited number of Class B preferred shares with par value of \$10.00 per share. No Class A or B preferred shares were issued in the quarter ended March 31, 2010.

**SELWYN RESOURCES LTD.
NOTES TO FINANCIAL STATEMENTS
(UNAUDITED)**

6. SHAREHOLDERS' EQUITY (continued)

(b) Issued share capital:

Common Shares	March 31 2010		December 31 2009	
	Shares Issued	\$	Shares Issued	\$
Balance, beginning of period	304,148,542	70,213,069	201,412,178	59,101,806
Private placements	896,300	246,483	102,736,364	12,092,000
Share issue costs	-	(5,425)	-	(219,325)
Flow-through share renunciation (Note 8)	-	(343,750)	-	(761,412)
	896,300	(102,692)	102,736,364	11,111,263
Balance, end of period	305,044,842	70,110,377	304,148,542	70,213,069

(c) Summary of warrants and stock options outstanding at March 31, 2010:

Type of Issue	Number Outstanding	Exercise Price	Expiry Date
Options	1,385,334*	\$0.20	Aug-09-2010
	300,000*	\$0.20	Aug-30-2010
	523,334*	\$0.20	Dec-30-2010
	235,000*	\$0.20	Jan-04-2011
	450,000*	\$0.57	Feb-14-2011
	1,634,000*	\$0.96	Apr-04-2011
	150,000*	\$0.80	May-30-2011
	500,000*	\$0.67	Jun-12-2011
	1,690,000*	\$0.90	Dec-04-2011
	170,000*	\$0.85	Jan-23-2012
	470,000*	\$0.75	Mar-23-2012
	2,505,000	\$0.20	Jan-31-2013
	3,360,000	\$0.25	Jun-01-2013
	900,000	\$0.15	Oct-21-2013
	60,000	\$0.15	Feb-03-2014
	4,680,000	\$0.15	Aug-14-2014
	400,000	\$0.21	Dec-7-2014
	19,412,668		

* A total of 7,507,668 options are subject to Savant Commitment (see Note 10 (b)).

Warrants	11,235,730	\$0.27	May-25-2010
	11,250,000	\$0.15	Jun-03-2011
	7,500,000	\$0.15	Jul-06-2011
	10,850,000	\$0.20	Aug-21-2013
	40,835,730		

**SELWYN RESOURCES LTD.
NOTES TO FINANCIAL STATEMENTS
(UNAUDITED)**

6. SHAREHOLDERS' EQUITY (continued)

(d) Stock Option Plan:

Changes in the outstanding options are as follows:

	March 31 2010	Weighted Average Exercise Price	December 31 2009	Weighted Average Exercise Price
	No. of Options		No. of Options	
Options outstanding, beginning of period	20,439,400	\$0.36	16,670,854	\$0.43
Granted	-	-	5,140,000	\$0.15
Expired	(1,026,732)	\$0.25	(1,218,120)	\$0.57
Forfeited	-	-	(153,334)	\$0.21
Options outstanding, end of period	19,412,668	\$0.36	20,439,400	\$0.36
Options exercisable at period end	14,586,001		14,757,733	
Weighted average fair value of options granted during the period	-		\$0.10	

Prices and the weighted average remaining life of options as at March 31, 2010:

Range of Prices	Number of Options	Weighted Average Remaining Life (Years)	Weighted Average Exercise Price
\$0.15 – \$0.25	14,348,668	3.16	\$0.19
\$0.51 – \$0.75	1,420,000	1.32	\$0.66
\$0.76 – \$1.00	3,644,000	1.38	\$0.92
	19,412,668	2.70	\$0.36

A stock option plan ("Plan") was established to provide incentive to qualified parties to increase their proprietary interest in the Company and thereby encourage their continuing association with the Company. Each year, shareholders of the Company approve the Plan at the Annual General Meeting. The current Plan was dated April 8, 2008 and approved on June 25, 2009. These options have five year terms with one third vesting on the grant date, one third on the first anniversary date and the balance on the second anniversary date from the options grant date. With the approval of the Board of Directors, the vesting period may be reduced.

Stock-based compensation expense of \$110,489 (2009 – \$214,761) was recorded in the first quarter of 2010.

(e) Contributed Surplus:

	March 31 2010	December 31 2009
Balance, beginning of period	\$ 6,331,911	\$ 5,735,990
Stock-based compensation	110,489	595,921
Balance, end of period	\$ 6,442,400	\$ 6,331,911

SELWYN RESOURCES LTD.
NOTES TO FINANCIAL STATEMENTS
(UNAUDITED)

7. MARKETABLE SECURITIES

The Company has 1,594,167 Savant share purchase warrants, of which 115,000 are exercisable at \$0.15 per share (until October 22, 2010), 1,166,667 are exercisable at \$0.10 (until February 23, 2011), and 312,500 are exercisable at \$0.11 (until October 5, 2011). These warrants are classified as held-for-trading and the carrying value of these warrants is adjusted at each reporting period to reflect their fair value. As there is no prescribed fair value model in the CICA Handbook, the warrants are recorded at their intrinsic fair value (the closing price of a Savant share of \$0.09 at March 31, 2010 over the exercise price of the warrants times the number of warrants). As the Savant share price is less than the exercise price of all warrants the total intrinsic value is \$nil at March 31, 2010.

8. INCOME TAXES

A reconciliation of income tax expense at statutory rates is as follows:

	March 31 2010	March 31 2009
Loss before taxes	\$ (1,273,653)	\$ (793,532)
Expected income tax recovery	\$ (387,378)	\$ (253,930)
Net effect of deductible and non-deductible amounts	(259,410)	(193,770)
Valuation allowance	646,788	447,700
Adjustment of future income tax liabilities to actual	(220,723)	(192,611)
Future tax recovery related to flow-through renunciation	(343,750)	(761,412)
Future income tax recovery	\$ (564,473)	\$ (954,023)

The Company's aggregate potential future income tax liability is as follows:

	March 31 2010	December 31 2009
Non-capital loss carry-forward	\$ 17,569,141	\$ 15,482,727
Unamortized share issuance costs	469,163	1,199,103
Deferred property costs in excess of tax pool	(38,654,508)	(37,989,355)
Property and equipment tax pool in excess of carrying value	628,033	561,368
Marketable securities taxable temporary difference	-	(39,402)
Equity investment taxable temporary difference	1,048,631	1,043,392
	(18,939,540)	(19,742,167)
Expected statutory tax rates	27.50%	27.50%
Future income tax liability	\$ (5,208,374)	\$ (5,429,097)

In the first quarter of 2010, the Company renounced \$1,250,000 of exploration expenses to investors of flow-through shares under the look-back rules, increasing the future income tax liability ("FIT") for accounting purposes by \$343,750. During the quarter, the Company recorded \$564,473 future income tax recovery to reflect an increase in tax assets associated with the current operating loss and the relative increase of tax values over book values for equipment and investments. Neither the adjustment to FIT nor future income tax recovery has any impact on cash flows.

**SELWYN RESOURCES LTD.
NOTES TO FINANCIAL STATEMENTS
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8. INCOME TAXES (continued)

The Company's accumulated non-capital losses and year of expiry are as follows:

Year of Expiry	Canada
2011	\$ 63,000
2015	684,000
2026	2,626,000
2027	3,134,000
2028	5,388,000
2029	3,587,000
2030	2,086,000
	\$ 17,568,000

In addition, the Company has a capital cost allowance pool of approximately \$1,796,000 and a resource pool of approximately \$25,063,000 that can be deducted against future taxable income. The resources pool comprises of Canadian Development Expenses and Canadian Exploration Expenses as defined in the Canadian *Income Tax Act*.

9. RELATED PARTY TRANSACTIONS

All transactions with related parties have occurred in the normal course of operations and are measured at their fair value as determined by management. Except as noted, balances with related parties are non-interest bearing, unsecured, payable on demand and have arisen from the provision of services and expense reimbursements described.

During the first quarter of 2010, the Company invoiced Savant \$7,497 (inclusive of GST) for expense reimbursements (first quarter of 2009 – \$6,511). As at March 31, 2010, \$4,347 was due to the Company from Savant.

In the first quarter of 2010, the Company was invoiced \$175,570, inclusive of GST (first quarter of 2009 – \$35,028) for legal services from a law firm of which one of the officers of Selwyn is a partner. An outstanding amount of \$66,740 was included in accounts payable and accrued liabilities as at March 31, 2010.

10. COMMITMENTS

(a) There is no spending restriction on the general funds available at March 31, 2010.

Funds raised from the issuance of flow-through shares must be used for qualifying expenditures defined as Canadian Exploration Expenditure ("CEE") in the Canadian Income Tax Act ("ITA"). In accordance to the flow-through share subscription agreement dated December 29, 2009, the qualifying CEE (to be incurred in 2010) is deemed to have been incurred and the tax deductibility of the CEE is renounced (using the Look-back Rules permitted in the ITA) to shareholders in 2009.

	March 31 2010
General funds	\$ 4,138,146
Flow-through funds	778,785
	\$ 4,916,931

**SELWYN RESOURCES LTD.
NOTES TO FINANCIAL STATEMENTS
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10. COMMITMENTS (continued)

- (b) As at March 31, 2010, the Company had 7,507,668 outstanding options (see Note 6 (c)) which, if exercised, would result in an obligation to pay Savant \$284,796 (813,703 Savant shares times \$0.35 per Savant share) for 813,703 Savant shares issuable under the Savant Commitment.
- (c) The balance of 2010 and subsequent years' minimum lease payments are comprised of office and office equipment leases.

Year	Minimum Lease Payment
2010	\$ 216,230
2011	283,898
2012	291,616
2013	275,885
	\$ 1,067,629

- (d) On August 1, 2007, the Company entered into an agreement with the University of British Columbia ("UBC") concerning a donation of \$250,000 worth of the Company's shares to support the construction of UBC's Earth Systems Science Building and the Mineral Deposit Research Unit Endowment Fund. The proposed transaction, if concluded, is still subject to all regulatory approval.

11. CAPITAL MANAGEMENT

The Company's capital, in part, consists of its cash, accounts receivable and equipment. The Company manages its capital to effectively fund its property option payment, budgeted exploration, environmental, engineering expenditures and corporate costs with the view of maintaining adequate liquidity as a going concern while minimizing dilution to current equity holders.

To effectively manage its resources and minimize risks, the Company purchased insurance for its equipment. The Company prepares annual expenditure budgets that are updated as necessary depending on factors including success of programs and general industry conditions. The budgets and their subsequent revisions are approved by the Board of Directors.

The Company is not subject to any externally imposed capital requirements and it does not have any exposure to asset backed commercial paper.

12. FINANCIAL RISK FACTORS

(a) Fair Value

The carrying values of financial instruments, other than warrants, approximate their fair values as they have a relatively short maturity period.

(b) Currency Risk

The Company raises its capital in Canadian dollars to fund the exploration and development of its principal property located in Yukon, Canada. It has minimal currency exposure from the Vinata option payment (Note 5) that is made in United States dollars.

12. FINANCIAL RISK FACTORS (continued)

(c) Credit Risk

Credit risk is the risk of an unexpected loss if a third party to a financial instrument fails to meet its contractual obligations. To minimize credit risk, cash is deposited in a Canadian chartered bank. Accounts receivable are primarily due from the Canadian government and consequently credit risk is considered to be nominal.

(d) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. Selwyn reviews its expenditure budgets against actual expenditures weekly to ensure there is sufficient working capital to discharge all financial obligations.

(e) 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 short term interest bearing accounts with Canadian chartered banks; and therefore, there is minimal risk.

13. SUBSEQUENT EVENTS

- (a) On April 9, 2010, Savant closed a second tranche of financing, which indirectly diluted the Company's holding in Savant from 23.3% to 18.2%.
- (b) On April 29, 2010, the Company signed a Cooperation Agreement ("Agreement") with Tulita Land Corporation, Fort Norman Metis Land Corporation and the Norman Wells Land Corporation (all three corporations to be referred to as "Land Corporations") for their participation in a cooperation agreement related to the exploration and development of the Selwyn Project and Selwyn's exploration lands in the Tulita District in the Northwest Territories. As part of the Agreement, the Company will make a payment of \$300,000 to Tulita District Benefits Corporation, a company designated by the Land Corporations, to purchase shares of the Company in a private placement. On May 14, the Company received regulatory approval to issue 1,578,947 shares at \$0.19 per share. One of the conditions in a shareholders agreement between Tulita District Benefits Corporation and Selwyn Resources Ltd. prohibits the sale of these shares within one year.

The Agreement provides a basis for participation by all of the beneficiaries in project exploration and development activities, in the review of environmental, social and economic matters related to these activities and the environmental assessment and permitting of all phases of development on Selwyn Resources' mineral claims and leases within the Tulita District. In addition the Cooperation Agreement provides the three Land Corporations and their beneficiaries with opportunities of employment, training and service contracts in the exploration and development activities, funding for education and training initiatives, and establishes a management committee to deal with all matters related to the project.

- (c) On May 25, 2010, 11,235,730 warrants with an exercise price of \$0.27 expired unexercised. The actual expiry date was May 22, 2010, which falls on a Saturday. Warrant holders were given an opportunity to exercise their warrants on the first business day in the following week which was May 25, 2010 as May 24, 2010 was a Canadian statutory holiday.



Management's Discussion & Analysis For the Quarter Ended March 31, 2010

This Management Discussion and Analysis is prepared as at May 25, 2010 and should be read in conjunction with the annual audited financial statements for the year ended December 31, 2009, unaudited interim financial statements subsequently issued, and Annual Information Form ("AIF") dated April 30, 2010 of Selwyn Resources Ltd. ("Selwyn" or "the Company"), previously known as Pacifica Resources Ltd., as filed on SEDAR (www.sedar.com).

OVERALL PERFORMANCE

Background

Selwyn was incorporated on March 9, 2004 in the Province of British Columbia. Selwyn acquired a portfolio of properties from Expatriate Resources Ltd. ("Expatriate") pursuant to a corporate reorganization that was approved by the shareholders of Expatriate at an Extraordinary General Meeting held on December 14, 2004 and commenced trading on the TSX Venture Exchange on December 20, 2004. Under the reorganization, Expatriate became Yukon Zinc Corporation ("Yukon Zinc"). Any references to "Expatriate" herein refer to the rights, obligations and properties formerly held by Expatriate and now held by Yukon Zinc. The corporate reorganization can be viewed in Yukon Zinc's SEDAR filings. Under the reorganization, Selwyn purchased from Expatriate the Yava, Selwyn and Tillex properties in Canada, the Blue Moon property in California, and the Isleña, Lucy, Cerro Ocre and Yuby-Gabriela properties in Chile, in exchange for the issuance of 14 million of its common shares that were distributed directly to the shareholders of Yukon Zinc.

On August 18, 2005, the Company entered into a purchase agreement to acquire 100% of the Howard's Pass Joint Venture property (hereinafter included as part of the "Selwyn Project") in the Yukon and Northwest Territories from Placer Dome (CLA) Ltd. ("Placer") and Cygnus Mines Ltd. ("Cygnus"), a subsidiary of US Steel Corporation. Subsequent to the takeover of Placer, the interest of Placer was transferred to Terrane Metals Corp. ("Terrane"). Terms of the purchase call for \$10 million in cash property payments payable over 7 years, \$3.5 million in aggregate work commitment before August 15, 2007, and up to \$10 million (adjusted for inflation from Year 7 of the agreement) in future contingent payments derived from a 20% Net Profits Interest (NPI) royalty on production and a 1% Net Smelter Royalty (NSR). As at May 21, 2010, the remaining property payment balance is \$5,000,000.

On June 6, 2007 (the "Effective Date"), Selwyn completed a Plan of Arrangement ("Arrangement"), in which all the mineral properties and warrants to purchase common shares of StrataGold Corporation (subsequently acquired by Victoria Gold), except the Selwyn Project, were transferred to Savant Explorations Ltd. ("Savant") for a total of 12,857,143 common shares of Savant that were distributed directly to the shareholders of the Company. On exercise of each one of the Company's options outstanding on the Effective Date, the shareholder would receive 0.1083829 Savant shares (the "Savant Commitment") at no cost. Under the terms of the Arrangement, the Company is obliged to purchase the Savant Commitment share at \$0.35 per share for applicable shareholders. Upon completion of the Arrangement, the Company changed its name to Selwyn Resources Ltd. ("Selwyn") to reflect the focus of the Company in developing its zinc-lead Selwyn Project.

Proposed Transactions

The Company entered into a Framework Agreement and began discussion with Yunnan Chihong Zinc and Germanium Co., Ltd. ("Chihong") in December 2009 whereby Chihong would acquire a 50% interest in a joint venture for the Selwyn Project for an expenditure of \$100 million to advance the project to bankable feasibility (see March 2, 2010 news release). Both parties are working towards finalizing a joint venture operating and shareholders' agreement and obtain all regulatory approvals and close the transaction before June 7, 2010. Due to delays in completing certain agreements, the closing date for the transaction will need to be extended; however, a new date has not yet been determined.

Principal Property – Selwyn Project

Location and History

The Selwyn Project is located in the Howard's Pass District ("District") in eastern Yukon. Historically, this District was known to host three deposits: XY, Anniv and OP. The deposits on the Howard's Pass Joint Venture Property contained a reported historic Indicated resource of 115 million tonnes grading 5.4% zinc and 2.1% lead (mostly in the XY zone), plus an additional Inferred resource of 367 million tonnes with a grade of 5.12% zinc and 1.90% lead which were projected for areas where only wide spaced drilling had been performed. These historic resource figures reported by Placer in 1982 preceded NI 43-101 standards, and are non-compliant with NI 43-101 and should not be relied upon.

The Company spent \$63 million during the period of July 2005 to March 31, 2010 in establishing the Selwyn Project as one of the world's largest undeveloped zinc-lead deposits. These expenditures include more than \$7.4 million in engineering, environmental studies and community consultation.

Mineral Resources Report

Selwyn filed an updated NI 43-101 compliant mineral resource report on April 9, 2009 based on all drill results to the end of 2008. Compared to the March 2008 mineral resource report, the Indicated mineral resources remained unchanged, and the Inferred mineral resources increased from 231.5 to 234.1 million tonnes. The Global Mineral Resources in Table 1 include 16 million tonnes of Indicated and 26.7 million tonnes of Inferred high grade mineral resources grading 10.25% zinc and 4.23% lead and 8.81% zinc and 2.81% lead, respectively, as shown in Table 2.

Table 1: NI 43-101 Compliant Global Mineral Resources Estimate and Metal Content Growth from 2006 to 2009

News Release Date	Resource Class	Million Tonnes	Zn (%)	Pb (%)	Zn (Blbs)	Pb (Blbs)
February 9, 2006	Indicated	33.50	5.52	2.10	4.08	1.55
	Inferred	112.91	5.40	2.14	13.44	5.31
April 2, 2007	Indicated	86.60	4.93	1.97	9.41	3.29
	Inferred	215.40	4.71	1.48	22.38	7.03
January 29, 2008	Indicated	154.35	5.35	1.86	18.19	6.31
	Inferred	231.54	4.54	1.42	23.19	7.23
February 26, 2009	Indicated	154.35	5.35	1.86	18.19	6.31
	Inferred	234.15	4.54	1.41	23.43	7.28

Table 2: Selwyn Project – February 26, 2009 NI 43-101 High Grade Mineral Resource Estimate and Metal Content Growth

Deposit	Resource Class	Tonnes	Zn (%)	Pb (%)	Zn (Blbs)	Pb (Blbs)
XY Central	Indicated	10,738,000	10.38	4.41	2.46	1.04
	Inferred	2,849,000	10.86	4.41	0.68	0.28
XY West	Indicated					
	Inferred	1,917,000	7.70	2.45	0.32	0.10
Don East	Indicated					
	Inferred	13,607,000	8.48	2.44	2.54	0.73
Don	Indicated	5,325,000	9.98	3.86	1.17	0.45
	Inferred	5,335,000	7.94	2.95	0.93	0.35
HC West	Indicated					
	Inferred	2,996,000	9.73	3.00	0.64	0.20
Total	Indicated	16,063,000	10.25	4.23	3.63	1.50
	Inferred	26,704,000	8.81	2.81	5.11	1.66

Notes to Tables 1 and 2:

1. Mineral Resources reported above have been calculated as of February 25, 2009 in accordance with the standards of the CIM and National Instrument 43-101.
2. A 2% zinc grade cut-off was applied to the new Mineral Resource Estimate.
3. The Mineral Resource Estimate uses all 582 drill holes, totalling 125,600 metres, successfully completed on the Selwyn Project over three separate periods: 1973 to 1981, 2000 and 2005 to 2008.

In addition to the Indicated and Inferred resources estimated in the April 9, 2009 NI 43-101 report, a mineral potential was estimated to be 245 to 255 million tonnes with an estimated grade of between 4.0 to 5.0% zinc and 1.0 to 2.0% lead. The mineral potential represents the down dip and strike extension of the Indicated and Inferred resources taken from a polygonal long-section model. The mineral potential represents a small portion of the interpreted extent of the Active Member that hosts all known zinc-lead mineralization in the Selwyn District.

The Active Member has now been defined over 38 kilometres of strike length. All drill holes that have intersected the Active Member have contained zinc and lead mineralization in the favourable strata. The quantity and grade of this mineral potential is conceptual in nature, as there has been insufficient drilling to define a mineral resource and it is uncertain whether additional exploration will result in any of this potential being realized as a mineral resource.

Project Evaluation

Selwyn has completed numerous updates of mineral resources on the Selwyn Project. The Company released a new resource estimate in February 2009 that incorporates encouraging new drill results in the Don East–HC West gap area and for the new XY West discovery.

A Preliminary Economic Assessment (PEA) was completed in January 2007 to evaluate a 20,000 tonne per day open pit mine development scenario. Although the results of the study were encouraging, the rapid increase in mineral resources, and particularly the addition of high grade mineral resources, warranted a re-evaluation of the development of the Selwyn deposit with new parameters.

Broad based engineering studies are in progress on evaluating power and transportation alternatives and development of a preliminary underground mine plan for the XY and Don deposit areas. These studies, together with information from the metallurgical and environmental study, are being integrated into a new development program that will consider the sequential or staged development of the Selwyn Project. A scoping study of development of the XY deposit as an underground mine at a rate of 5,000 tonnes per day is being expanded to provide better economies of scale with increased output. Current economic evaluation studies are focused on initial development of the Selwyn Project as an approximate 8,000

tonnes per day high-grade underground mine operation. Later expansions would likely provide for mining of the near surface mineralization in a series of open pits as initially considered in the January 2007 PEA.

Staged development of the Selwyn Project provides for early access to high-grade mineralization and for the sequential development of the infrastructure required for a major zinc-lead mine over time. Selwyn continues to evaluate and update its thinking on the development plan as additional technical and engineering information becomes available.

Recent optimization studies have focused on power and concentrate haul alternatives as an opportunity to reduce operating costs. Initial evaluation of possible hydroelectric sites has identified several alternatives that could provide much of the power requirement for the current mine development plan. Selwyn is also evaluating the use of a concentrate pipeline to transport zinc and lead concentrates to a terminal location at the Robert Campbell Highway or other locations to significantly reduce concentrate haul distance by truck. Use of a pipeline would significantly reduce concentrate haul costs and perhaps eliminate the need for a new road connection to existing Yukon highways. The results of the initial investigation of these alternatives are encouraging and will be included in the ongoing optimization work.

The next major step in advancing the development plan is initial development of the underground access to the XY deposit to evaluate the mining conditions in the high-grade mineralization and undertake definition drilling for detailed mine planning purposes. The initial underground access will also provide a platform for drilling extensions to the high grade mineralization and provide additional information to define the optimum development strategy for exploitation of the high-grade mineralization in the XY Central and new XY West discovery areas. Site preparation was commenced in the third quarter of 2009 with preparation of the portal site and laydown areas. Application for a Type B Water Licence required for the initial underground development was submitted in the fourth quarter of 2009.

Wardrop Engineering Inc. (“Wardrop”) was engaged in January 2010 to commence Phase 1 of a program leading to completion of a NI 43-101 compliant feasibility study in the second quarter 2011.

Environment and Community Affairs

The Selwyn Project straddles the Yukon–Northwest Territories boundary. Permitting and development of the project will require consultation with several First Nations and regulatory bodies which Selwyn has initiated. The border is the height of land; and with most of the Howard’s Pass Mineral Belt in the Yukon, the majority of water management issues will be in the Yukon. It is expected that Yukon regulatory authorities will be the lead authorities in project permitting and coordinating any transboundary issues during environmental review of the project.

The area immediately to the east of the project in the Northwest Territories (NWT) is within the headwaters of the Nahanni River drainage which is subject to review and study for creation of the Naats’ich’oh National Park. The expansion of the Nahanni National Park Reserve in the southern part of the watershed overlaps the former access road constructed by previous operators of the Selwyn Project. This road links the Selwyn Project to the community of Tungsten in the NWT and the North American Tungsten Mine road that connects to the Robert Campbell Highway in the Yukon. Governments have confirmed that the road access is grandfathered under legislation and the permit has been reissued for the rehabilitation of the road for Selwyn’s use in accessing the site. Selwyn is actively reviewing and participating in the consultation of the creation of the Naats’ich’oh National Park in the NWT.

A Class A Land Permit for exploration of mineral claims and leases in the NWT was obtained on October 8, 2009. Under this permit, the Company will be able to conduct exploration work at the XY Nose Zone that the previous operator, Placer, had identified with 34 drill holes carried out between 1972 and 1981.

On April 29, 2010, Selwyn Resources Ltd. signed a Cooperation Agreement (“Agreement”) with Tulita Land Corporation, Fort Norman Metis Land Corporation and the Norman Wells Land Corporation for their participation in the exploration and development of the Selwyn Project and Selwyn’s exploration lands in the Tulita District in the Northwest Territories. For further information on the Agreement, refer to Subsequent Events in the Company’s unaudited interim financial statements for the period ended March 31, 2010.

Selwyn continues to pursue negotiation of cooperation agreements with Kaska First Nation whose traditional territory encompasses the Selwyn Project in the Yukon. Completion of these negotiations forms the foundation for the First Nations' participation in the social and economic benefits associated with the exploration and development of the Selwyn Project. Selwyn expects to complete these agreements before the end of the year, coincident with the timing of the Company's plans to enter the environmental assessment and permitting process for the Selwyn Project.

Selwyn conducts its exploration programs in the Yukon under its Land Use Permit. Surface disturbance associated with the construction of airstrips, camps, access and drill roads are considered part of its project infrastructure required for advancing future exploration and development activities, and as a result, only minor progressive reclamation of such disturbances is undertaken. Selwyn is currently undergoing environmental review of an expanded exploration licence and Type B Water Licence that will permit the development of an underground test mine and associated surface facilities.

Vinata Property Acquisition

Pursuant to an option agreement among Selwyn, Savant and Savant Explorations Mexico Ltd. ("Savant Mexico") dated July 22, 2009 (the "Vinata Agreement"), Selwyn acquired the right to acquire an initial 50% joint venture interest in its Vinata Property located in the state of Chihuahua in north-central Mexico. Selwyn can acquire the initial 50% joint venture interest in the Vinata Property by providing USD\$1,000,000 for expenditures on the Vinata Property over a period of 30 months and by making a cash payment of CAD\$100,000 on completion of the earn-in expenditures. Selwyn has a second option to increase its interest to 55% by providing an additional USD\$500,000 for property expenditures on the Vinata Property by February 15, 2013 and by making an additional cash payment of CAD\$100,000 to Savant. Selwyn received regulatory approval for the transaction on August 13, 2009.

The Vinata Property is subject to a purchase agreement between Savant and Minera Cima, S.A. de C.V. (see Savant news release of June 11, 2008) which includes aggregate cash purchase payments of USD\$2,635,000 and granting of a royalty of 2% of Net Smelter Returns which can be reduced to 1% NSR upon making payments of USD\$1,000,000.

As at May 25, 2010, Selwyn holds 8,821,667 Savant common shares, representing 18.2% of its issued shares, and warrants to acquire an additional 1,594,167 shares. As at March 31, 2010, the Company had contributed a total of USD\$561,687 to Savant Mexico that satisfied an earn-in commitment of USD\$500,000 prior to January 15, 2010.

VINATA PROPERTY

The Vinata Property is located in north-central Mexico in the prolific Central Mineral Belt that hosts numerous very large silver-zinc-lead mining districts at Bismark, Cinco de Mayo, Santa Eulalia, Naica, San Martin and Fresnillo. The Vinata Project is seen as providing Selwyn an exciting opportunity to participate in the exploration for a new silver-zinc-lead deposit along trend with the Santa Eulalia and Naica mining districts. Collectively, these two mining districts have produced more than 750 million ounces of silver and significant zinc and lead.

The Vinata Property covers approximately 109 square kilometres and is well located midway between the very productive Santa Eulalia and Naica deposits in Chihuahua State. Mining at Santa Eulalia has occurred in a number of structural trends over a strike length of approximately 3,000 metres and up to 800 metres of vertical extent. Alteration extends into the overlying Tertiary volcanic rocks and is characterized by extensive clay alteration and manganese mineralization with lesser amounts of silver, zinc and lead. Aggregate production at Santa Eulalia exceeds 500 million ounces of silver.

Historic mining on the Vinata Property focused on manganese-silver mineralization within a number of structurally controlled vein and breccia replacement bodies within Tertiary volcanic rocks that immediately overlie the Upper Cretaceous limestones, similar to that at Santa Eulalia. The surface mining of argentiferous manganese oxide mineralization at Vinata has occurred over a northwesterly trend of approximately 3,000 metres.

Mapping has identified well defined vein-breccia structures flanked by extensive clay altered volcanic rocks hosting highly anomalous silver, zinc and lead in micro-veinlets of carbonate. This alteration and mineralization is interpreted to be the uppermost part of a mineralizing system. An initial 1,800 metres of

drilling began in late September and continues to test the continuity of the mineralized structures to depth and the possible occurrence of manto and chimney type mineralization. The upper parts of these mineralized systems are typically silver rich and occur with massive sulphides of lead and zinc. The upper parts of these mineralized bodies commonly occur in the upper part of the Cretaceous limestone strata which, at this location, is covered by strongly altered Tertiary volcanic rocks and the manganese-silver mineralization that typifies mineralization at Santa Eulalia.

Field mapping, trenching and induced polarization surveys were completed in third quarter and diamond drilling commenced in early October 2009. Savant's initial drill program consisting of three diamond drill holes totalling 1,862.5 metres was designed to test for Cretaceous aged carbonate hosted silver rich lead-zinc mineralization beneath and along strike from geochemically anomalous (in silver, zinc, lead, molybdenum, copper and other pathfinder metals) in manganese carbonate oxide vein-breccia structures within hydrothermally-altered cover volcanic rocks. Although the downdip extensions of the surface structures were intersected by the drill-holes, the targeted Cretaceous-age limestone was not encountered in any of the holes (see Savant news release of December 18, 2009). The drill core results are being reviewed to formulate a future work plan.

Financing

During the first quarter, the Company issued 896,300 shares for gross proceeds of \$246,482 on a non-brokered offering of securities. The shares were issued to a single placee, Resource Capital Fund IV LP.

Outlook

Selwyn continues to advance its strategic partner initiative with Chihong focused on direct investment in the Selwyn Project. Selwyn now has three major institutional shareholders, whose shareholdings as at May 25, 2010 are as follows:

Shareholders	Current Holdings	Fully Diluted
Resource Capital Funds IV LP (based in Denver, Colorado)	19.8%	21.8%
Pan-Pacific Metal Mining Corporation *	19.5%	20.4%
China Mining Resources Group Ltd. **	14.4%	13.4%

* A wholly owned subsidiary of Korea Zinc Company Ltd., a major zinc smelting company in Korea.

** An issuer listed on the Hong Kong Stock Exchange.

Zinc-lead companies were particularly hard hit in the 2008 downturn in zinc and lead prices which continued in 2009. Many zinc-lead companies' share prices declined dramatically from their 12 month highs. The zinc price retreated from a high of USD\$2.09/lb in late 2006 to a low of USD\$0.48/lb in the first quarter of 2009, from which it has staged a strong recovery to USD\$1.07/lb before correcting to USD\$0.87/lb on May 25, 2010. The rapid decline in the zinc price in late 2008 appears to have been related to expectations of a large inventory build-up as demand disappeared and the sale of metal positions by various financial institutions as they attempted to create liquidity and reduce risk in their portfolios.

In early 2010, the restart of many mines, particularly in China, has resulted in a surplus of zinc and a build up of zinc inventories which resulted in a decline in zinc price. Lead concentrate supply is becoming tighter, resulting in falling treatment and refining charges.

SELECTED ANNUAL INFORMATION

The selected financial information is derived from the Company's audited consolidated financial statements for the years ended December 31, 2009, 2008 and 2007 prepared in accordance to Canadian Generally Accepted Accounting Principles ("GAAP"):

	2009	2008	2007
Shares outstanding at year-end	304,148,542	201,412,178	143,737,178
Warrants outstanding	40,835,730	31,349,306	15,021,148
Options outstanding	20,439,400	16,670,854	9,992,467
Fully diluted shares outstanding	365,423,672	249,432,338	168,750,793
Weighted average shares outstanding	238,015,117	174,356,632	123,827,990
Total revenues	NIL	NIL	NIL
Loss for the year *	\$(1,801,002)	\$(4,210,764)	\$(4,606,803)
Loss per share issued **	\$(0.01)	\$(0.02)	\$(0.04)
Cash dividends declared per common share	NIL	NIL	NIL
Total long term financial liabilities ***	\$5,429,097	\$6,159,351	\$3,931,498
Total assets	\$71,232,051	\$61,849,509	\$55,770,623

* There are no Discontinued or Extraordinary Items.

** Based on weighted average shares outstanding.

*** Comprised of Future Income Tax Liability – see discussion of Income Taxes under Critical Accounting Estimates.

The increase in the number of shares and warrants between 2008 and 2009 is attributable to the completion of private placements during the year that resulted in the issuance of 65,234,364 common shares and 37,500,000 Units for gross proceeds of \$12,092,000. Each Unit is comprised of one common share of the Company and one-half of a share purchase warrant.

SUMMARY OF QUARTERLY RESULTS

Amounts are expressed in thousands Canadian dollars, except for income (loss) per share, which is rounded to the nearest cent. Small differences are the result of rounding.

	Mar-31- 2010	Dec-31- 2009	Sep-30- 2009	Jun-30- 2009	Mar-31- 2009	Dec-31- 2008	Sep-30- 2008	Jun-30- 2008
Current assets	5,149	6,941	8,269	4,203	3,098	3,997	5,973	6,670
Deposit	23	23	23	23	23	22	22	-
Investment	402	436	438	438	471	422	1,862	1,932
Property and equipment	1,168	1,221	1,302	1,366	1,446	1,425	1,416	1,461
Deferred property costs	63,717	62,611	60,512	57,057	56,321	55,983	55,173	51,644
Total assets	70,459	71,232	70,544	63,087	61,359	61,849	64,446	61,707
Current liabilities	596	446	754	378	329	240	872	726
Future income tax liability	5,208	5,429	5,884	5,884	5,966	6,159	6,519	6,719
Shareholders' equity	64,655	65,357	63,906	56,825	55,064	55,450	57,055	54,262
Total liabilities and equity	70,459	71,232	70,544	63,087	61,359	61,849	64,446	61,707
Working capital	4,553	6,495	7,515	3,825	2,769	3,757	5,101	5,944
Administration expenses								
Amortization	67	83	82	80	80	102	94	91
Consulting	16	59	6	9	-	43	10	49
Investor relations	232	145	143	186	56	80	188	133
Professional fees	237	167	50	57	40	38	31	23
Regulatory fees	14	4	12	6	8	1	8	15
Rent and office services	145	121	117	126	116	88	66	66
Salaries and benefits	348	238	232	278	273	181	206	241
Subtotal	1,059	817	642	742	573	533	603	618
Other items								
Interest income	(4)	30	22	33	21	1,464	69	91
Equity loss in investment	35	-	-	-	-	-	-	-
Part XII.6 tax	4	90	154	137	215	398	-	683
Stock-based compensation	110	-	-	-	-	-	-	-
Foreign exchange	-	(23)	(30)	(26)	(8)	(7)	(10)	(1)
Miscellaneous (income) expenses	(9)	-	-	-	-	-	-	-

	Mar-31- 2010	Dec-31- 2009	Sep-30- 2009	Jun-30- 2009	Mar-31- 2009	Dec-31- 2008	Sep-30- 2008	Jun-30- 2008
Loss (gain) on sale of marketable securities	-	43	(122)	-	-	-	-	-
Changes in fair value of marketable securities	79	-	-	-	-	-	-	-
Loss on sale of equity investment	-	-	-	-	-	-	-	-
Loss before income taxes	1,274	950	664	884	793	2,361	620	1,366
Future income tax expense (recovery)	(564)	(281)	(174)	(82)	(954)	(359)	(200)	(247)
Loss (income) for the period	710	669	490	802	(161)	2,002	420	1,119
Basic and diluted earnings (loss) per share	0.00	(0.01)	(0.01)	0.00	0.00	(0.02)	(0.01)	(0.01)
Weighted average number of shares outstanding	304,935	298,904	241,480	209,626	201,412	188,439	188,439	163,049

For the Quarters Ended March 31, 2010 and 2009

Administration expenses in the first quarter were \$1,059,000 compared to \$573,000 in 2009. The increase is primarily attributable to increases in investor relations, professional fees, and salaries and benefits. The increase in investor relations is mainly due to an increase in conference attendance, increase in promotion in the form of television ads, and increase in travel. Professional fees have increased primarily attributable to negotiations and drafting of a joint venture agreement with Chihong. Salaries and benefits have increased primarily due to an increase in wages of employees to reflect their work load and responsibilities.

Under Other Items, stock-based compensation in the first quarter is \$110,489 lower than the same quarter last year, which is attributable to fewer options being vested. The \$78,800 change in fair value of marketable securities is a downward adjustment of the intrinsic fair value of the Savant share purchase warrants recorded in the fourth quarter of 2009.

During the quarter, the Company renounced \$1,250,000 of exploration expenses to investors of flow-through shares under the look-back rules, increasing the Future Tax Liability ("FIT") for accounting purposes by \$343,750. During the quarter, the Company recorded \$564,473 future income tax recovery to reflect an increase in tax assets associated with current operating loss and an increase of tax value over book value of equipment and investment. For further discussion on CEE renunciation and commitment, refer to Note 10 (a) in the unaudited March 31, 2010 financial statements.

RESULTS OF OPERATIONS

The main components of exploration, permitting and engineering costs for the Selwyn Project for the quarter ended March 31 are as follows:

Exploration, Engineering and Permitting	Three Months Ended March 31, 2010 (\$)	Three Months Ended March 31, 2009 (\$)
Field support *	224,410	162,793
Helicopter and fixed wing	-	(10,026)
Fuel	138	(9,755)
Exploration materials and supplies	5,892	103
Engineering **	369,513	92,351
Permitting and socio-economic	431,763	80,913
	1,031,716	316,379
Other expenses	10,425	13,211
Totals	1,042,141	329,590

* Field support includes food, accommodation, communication, wages and Workers' Compensation, geologists, cooks and labourers working at the camps, safety and other camp supplies.

** Net of \$50,000 contribution from the Yukon government in 2009.

Exploration and Mineral Resources

No drilling was done in the first quarter. The exploration department reviewed and compiled exploration data during the quarter. Project planning and preparation work was conducted for the upcoming field season and to determine diamond drill targets for NI 43-101 upgrades.

Environmental and Community Affairs

In the first quarter of 2010, the environment and community affairs department focused on several tasks. They completed winter sampling for low-flow water quality and hydrology data at the project site. Monthly trips to the project site were made for inspection of camps and equipment. Completion of winter range surveys for large ungulates along the proposed concentrate transport corridor options. A Cooperation Agreement with the Tulita District Dene and Metis aboriginal groups was completed. The agreement is specific to mineral claims and leases in the NWT as well as the access road to the project area that passes through the NWT. Project planning for the upcoming field season was completed in the first quarter. Consultants and contractors required for the environmental programs were identified and work contracts established. Project scheduling and budgeting was completed and approved for implementation.

Engineering

During the quarter, Wardrop was instructed to perform limited feasibility study work, primarily planning and reviews of prior engineering work, in order to limit costs until closing of the Chihong, or other financing transactions. A metallurgical testwork program designed to confirm previous work continued from late 2009, and is expected to be completed in late May. Results received to date are very encouraging. In January, Selwyn established a team to evaluate the key transport and port issues and options for future Selwyn concentrates production. This work will be incorporated into Wardrop's feasibility study. Other engineering work is focused on only those activities essential to an early submission of the Project Report under the Yukon Environmental and Socio-economic Assessment Act (YESAA) for the Type A Water Licence, a key permit required for operation of a mine in the Yukon, and those other project activities that require lesser financial commitments.

Liquidity and Capital Resources

As a mineral exploration company with no current mining operations, Selwyn's cash activities mainly consist of cash outflows for administrative expenses, salaries, property acquisition and evaluation, exploration (net of cost recoveries) and expenditures for depreciable equipment such as computers and field equipment. In light of the uncertainty in the financial markets, conservation of working capital is an important objective of management.

The Company ended the quarter with working capital of \$4,553,053, comprised of \$4,916,931 in cash, \$231,950 in accounts receivable and prepaid expenses (net GST – \$51,966, other receivable – \$4,347 and prepaid – \$175,637), and \$595,828 in accounts payable and accrued liabilities.

The balance of option payments is as follows:

Option Payment Due Date	Amount
August 15, 2010	\$1,500,000
August 15, 2011	\$1,500,000
August 15, 2012	\$2,000,000
Total	\$5,000,000

With no internal sources of available cash flow at this stage of its development, the Company is dependent on external sources of funding, primarily public equity markets and potential joint venture partners. There are many circumstances that could affect the availability of equity funds to the Company (both positively and negatively): significant exploration successes or lack thereof, acquisitions, changes in metal prices, significant world events, exchange rate movements and the general state of the equity markets for junior base metal companies. A requirement for additional sources of funding could be triggered by acquisitions, and there is no

certainty of raising these funds if required. For the foreseeable future, the Company will rely on capital from equity issuances and possible contributions from potential strategic equity investors or joint venture partners to meet its additional capital requirements. There can be no assurance that these sources of capital will continue to be available to the Company.

Risk Factors

Refer to Risk Factors in the 2009 Annual Information Form dated April 30, 2010 available on the SEDAR website (www.sedar.com).

Off-balance Sheet Arrangements

The Company has commitments to lease its corporate office, office equipment, donate common shares to the University of British Columbia, and reimburse Savant for shares issued under the Savant Commitment (see Transactions with Related Parties below) pursuant to the Arrangement. For details of the off-balance sheet arrangements, refer to Note 10 in the 2009 annual audited financial statements.

Transactions with Related Parties

As at May 25, 2010, senior officers of Selwyn holding Board or management positions in Savant are as follows:

Officers	Selwyn	Savant
Harlan Meade	President and CEO; Director	Director and Chairman
Robert McKnight	VP, Corporate Development; Director	Director and CFO

During the first quarter of 2010, the Company invoiced Savant \$7,497 (inclusive of GST) for expense reimbursements (first quarter of 2009 – \$6,511). As at March 31, 2010, \$4,347 was due to the Company from Savant.

In the first quarter of 2010, the Company was invoiced \$175,570, inclusive of GST (first quarter of 2009 – \$35,028) for legal services from a law firm of which one of the officers of Selwyn is a partner. An outstanding amount of \$66,740 was included in accounts payable and accrued liabilities as at March 31, 2010.

As at May 25, 2010, outstanding Savant Commitment (see page 1 for description) is \$284,796 (7,507,668 Selwyn options times exchange factor 0.1083829 times \$0.35 per Savant share). The last tranche of Savant Commitment will expire on March 23, 2012. Refer to Note 6 (c) in the 2009 annual audited financial statements for a detailed list of options subject to the Savant Commitment.

Disclosure Controls and Procedures

The Company's Chief Executive Officer and Chief Financial Officer are responsible for establishing and maintaining the Company's disclosure controls and procedures and internal control over financial reporting. They are assisted in this responsibility by the Company's senior management team.

Through the evaluation of the design of its internal controls, the Company has identified certain pre-existing internal control weaknesses in the financial reporting process due to the small size of its financial team. As a result of the limited number of staff, there is little segregation of duties within the financial internal control environment of the Company. While this deficiency in segregation of duties could lead to a material misstatement in the financial statements, no such misstatement is believed to have occurred.

Management believes it has remediated these control weaknesses through the requirement for two senior officers' signatures on all cash disbursements, visits by senior management to work sites and substantive periodic review of the financial statements to ensure disclosure controls and procedures are effective.

Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in

additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

Critical Accounting Estimates

Income Taxes

Future income tax assets and liabilities are determined based on differences between the financial statement carrying values of assets and liabilities and their respective income tax bases (“temporary differences”), and losses carried forward. The determination of the ability of the Company to utilize tax loss carry-forwards to offset future income tax payable requires management to exercise judgment and make certain assumptions about the future performance of the Company. Management is required to assess whether the Company is “more likely than not” to benefit from these prior losses and other future tax assets. Changes in economic conditions, metal prices and other factors could result in revisions to the estimates of the benefits to be realized or the timing of utilizing the losses. In the event that it is determined that certain of the losses are not likely to be utilized, a valuation reserve would have to be recorded against the recognized future tax assets through a charge to income. Conversely, where amounts that are considered not likely to be utilized to reduce future tax payable are determined to be likely to be utilized in the future, the valuation allowances against these losses would be removed by recording a future income tax recovery in the statement of operations. Neither the adjustment to future income tax liability nor future income recovery or expense has any impact on cash flows.

Stock-based Compensation

The “fair value” of stock based compensation (i.e., stock option grants) must be expensed for operations statement purposes. In addition, agents’ warrants issued as stock-based compensation to brokers must be similarly accounted for on a fair value basis and recorded as a share issuance cost. Option pricing models require the input of highly subjective assumptions, particularly as to the expected price volatility of the stock. The amounts expensed may not reflect the true cost of the options granted. Changes in these assumptions can materially affect the fair value estimate; therefore, it is management’s view that the existing model does not provide a single reliable measure of the fair value of the Company’s stock option grants. If none of the options and agents’ warrants are exercised, the amounts previously expensed are not adjusted and will have permanently increased the Company’s deficit and contributed surplus accounts.

During the quarter, \$110,489 (2009 – \$214,761) of stock-based compensation expense was recorded.

Deferred Property Costs

The Company reviews capitalized costs on its property interests on a periodic, or annual, basis and will recognize impairment in value based upon current exploration results and upon management’s assessment of the future probability of profitable revenues from the property or from the sale of the property. Management’s assessment of the property’s estimated current fair market value may also be based upon a review of other property transactions that have occurred in the same geographic area as that of the property under review.

Conformity with Generally Accepted Accounting Principles

Financial statements in conformity with Canadian GAAP require 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 may differ from those estimates.

Changes in Accounting Policies Including Initial Adoption

There were no changes to accounting policies in the first quarter of 2010.

International Financial Reporting Standards (“IFRS”)

Effective January 1, 2011, the Company will apply IFRS. In 2008, the Company developed a changeover plan which included the assessment, design and implementation phases to manage all aspects of the mandatory change in the financial reporting standards. A summary of the progress is provided below and the Company will provide updates on material policy changes required and the impact on the financial position, as the Company finalizes its changeover process.

IFRS changeover requires the preparation of an opening statement of financial position at January 1, 2010. This will reflect retrospective application of IFRSs subject to certain items where prospective application is either required or permitted. The Company has identified certain accounting policies in certain areas will be changed, whereas in other areas no policy change is expected. There are areas that the Company is unable to ascertain the disclosure impact pending completion of the related International Accounting Standard Board projects.

In general, IFRS 1 requires retrospective application of the new policies, but prospective application is required or permitted in some instances. The Company is evaluating the impact of exemptions from retrospective application that apply to Equity Investments in Savant, Property, Plant and Equipment, Deferred Property Costs, and Share-based Compensation. Accounting standards that may have material impact on the Company’s financial position, such as Leases, Joint Venture, Provisions, Contingent Liabilities and Contingent Assets, are in the process of completion. The Company continues to follow the development of these standards and assess and analyze their impact.

IFRS has little impact, if any, on the system of internal controls. There is no covenant calculation under IFRS that would affect the Company’s cash flow or financial calculation that would jeopardize statutory compliance. All existing controls are intact. The Company will continue to assess internal controls implications of IFRS in the implementation phase.

IFRS does not appear to have any impact on the information system, as the current system is able to generate information to comply with IFRS requirements. The Company will continue to monitor the impact on the information system in the implementation phase.

Financial and Other Instruments

The carrying values of the accounts receivable and accounts payable and accrued liabilities approximate their fair value. As at March 31, 2010, Selwyn had accounts receivable of \$56,314 (\$231,950 less \$175,636 prepaid expenses) and accounts payable and accrued liabilities in the normal course of business totalling \$595,828.

Selwyn’s investment in Savant shares are accounted for using the equity method and no fair value adjustment is required under Canadian GAAP. The Savant share purchase warrants, with exercise price of \$0.10, \$0.11 and \$0.15 per share, are financial instruments; however, they are currently considered to have no intrinsic value (i.e., the exercise price per share was greater than the closing price of \$0.09 per share as at March 31, 2010). A fair value adjustment of \$78,804 was made in the quarter. Other than those described above, the Company does not own, hold or have any material interest in, or liability associated with, any other financial instrument.

Other MD&A Requirements

Additional information relating to Selwyn is available on the SEDAR website (www.sedar.com) under “Selwyn.”

Disclosure of Outstanding Share Data

The Company is authorized to issue an unlimited number of common shares without par value, unlimited number of Class A preferred shares with no par value, and an unlimited number of Class B preferred shares with par value of \$10.00 per share. No Class A or B preferred shares have been issued.

	Common Shares Issued	Options	Warrants	Fully Diluted Shares
Balance – January 1, 2010	304,148,542	20,439,400	40,835,730	365,423,672
Issued	896,300	-	-	896,300
Options/warrants exercised	-	-	-	-
Options/warrants expired	-	(1,026,732)	-	(1,026,732)
Options/warrants forfeited	-	-	-	-
Selwyn commitment exercised/expired	-	-	-	-
Balance – March 31, 2010	305,044,842	19,412,668	40,835,730	365,293,240
Issued	1,578,947	-	-	1,578,947
Options/warrants exercised	-	-	-	-
Options/warrants forfeited	-	-	-	-
Selwyn commitment exercised	-	-	-	-
Options/warrants expired	-	-	(11,235,730)	(11,235,730)
Balance – May 25, 2010	306,623,789	19,412,668	29,600,000	355,636,457

Share Purchase Warrants

As at May 25, 2010, the exercise prices of the warrants range from \$0.15 to \$0.20 per share with expiry dates between June 3, 2011 and August 21, 2013. If all of the outstanding warrants were exercised as at May 25, 2010, the Company would receive cash proceeds of \$4,982,500.

Share Purchase Options

These options have a five year term with one third vesting on the grant date, one third on the first anniversary date and the balance on the second anniversary date from the options grant date. With the approval of the Board of Directors, the vesting period may be reduced. Details of options are listed in Note 6 (c) of the Company's unaudited March 31, 2010 financial statements.

As at May 25, 2010, the outstanding options exercise prices range from \$0.15 to \$0.96 per share with expiry dates between August 9, 2010 and December 7, 2014. If all 14,586,001 vested options were exercised, the Company would receive net proceeds of \$5,921,078 (\$6,205,874 less \$284,796 due to Savant under the Savant Commitment).

Forward-looking Statements

This discussion includes certain statements that may be deemed "forward-looking statements." All statements in this discussion, other than statements of historical facts that address future production, reserve potential, exploration drilling, exploration activities and events or developments that the Company expects, are forward-looking statements. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices, exploitation and exploration successes, continued availability of capital and financing, and general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance, and that actual results or developments may differ materially from those projected in the forward-looking statements.

SELWYN RESOURCES LTD.

"Harlan Meade"

Harlan Meade
President and CEO, Director
May 25, 2010