
TUMI RESOURCES LIMITED

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED

DECEMBER 31, 2009 AND 2008

AUDITORS' REPORT

To the Shareholders of
Tumi Resources Limited

We have audited the consolidated balance sheets of Tumi Resources Limited as at December 31, 2009 and 2008 and the consolidated statements of loss and comprehensive loss and deficit and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2009 and 2008 and the results of its operations and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

Vancouver, B.C.
April 16, 2010

"D&H GROUP LLP"
Chartered Accountants

TUMI RESOURCES LIMITED
CONSOLIDATED BALANCE SHEETS
AS AT DECEMBER 31

	2009	2008
	\$	\$
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	265,713	432,690
Amounts receivable	47,341	84,471
Prepays	<u>4,662</u>	<u>7,373</u>
	317,716	524,534
PROPERTY AND EQUIPMENT (Note 3)	120,512	173,116
MINERAL RESOURCE INTERESTS (Note 4)	3,800,501	4,030,421
OTHER	<u>14,908</u>	<u>14,908</u>
	<u><u>4,253,637</u></u>	<u><u>4,742,979</u></u>
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	<u>104,300</u>	<u>239,672</u>
SHAREHOLDERS' EQUITY		
SHARE CAPITAL (Note 5)	13,897,174	13,379,705
CONTRIBUTED SURPLUS (Note 7)	1,980,735	1,846,100
DEFICIT	<u>(11,728,572)</u>	<u>(10,722,498)</u>
	<u>4,149,337</u>	<u>4,503,307</u>
	<u><u>4,253,637</u></u>	<u><u>4,742,979</u></u>

NATURE OF OPERATIONS AND ABILITY TO CONTINUE AS A GOING CONCERN (Note 1)

SUBSEQUENT EVENT (Note 14)

APPROVED BY THE DIRECTORS

“David Henstridge” , Director

“Nick DeMare” , Director

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

TUMI RESOURCES LIMITED
CONSOLIDATED STATEMENTS OF
LOSS AND COMPREHENSIVE LOSS AND DEFICIT
FOR THE YEARS ENDED DECEMBER 31

	2009 \$	2008 \$
EXPENSES		
Accounting and administration	31,400	32,200
Amortization	6,644	10,220
Audit	34,170	42,213
Consulting	44,058	59,120
Corporate development	-	1,116
General exploration	104,618	51,874
Investment conferences	7,639	13,793
Investor relations	31,500	57,500
Legal	3,138	10,718
Management fees	90,182	64,883
Office	12,544	18,786
Regulatory	10,058	10,345
Rent	5,300	5,400
Salaries and benefits	12,269	26,875
Shareholder costs	2,089	7,584
Stock-based compensation (Note 6)	125,925	236,296
Transfer agent	6,776	5,964
Travel and related	22,026	33,534
	<u>550,336</u>	<u>688,421</u>
LOSS BEFORE OTHER ITEMS	<u>(550,336)</u>	<u>(688,421)</u>
OTHER ITEMS		
Loss on disposal of equipment	(717)	-
Interest and other income	8,115	45,251
Foreign exchange	(21,282)	(16,156)
Write-off of mineral resource interests (Note 4)	(441,854)	(1,645,668)
	<u>(455,738)</u>	<u>(1,616,573)</u>
NET LOSS AND COMPREHENSIVE LOSS FOR THE YEAR	(1,006,074)	(2,304,994)
DEFICIT - BEGINNING OF YEAR	<u>(10,722,498)</u>	<u>(8,417,504)</u>
DEFICIT - END OF YEAR	<u><u>(11,728,572)</u></u>	<u><u>(10,722,498)</u></u>
LOSS PER COMMON SHARE - BASIC AND DILUTED	<u><u>\$(0.03)</u></u>	<u><u>\$(0.08)</u></u>
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING - BASIC AND DILUTED	<u><u>30,583,680</u></u>	<u><u>27,795,706</u></u>

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

TUMI RESOURCES LIMITED
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31

	2009 \$	2008 \$
CASH PROVIDED FROM (USED FOR)		
OPERATING ACTIVITIES		
Net loss for the year	(1,006,074)	(2,304,994)
Adjustments for items not involving cash		
Amortization	6,644	10,220
Stock-based compensation	125,925	236,296
Write-off of mineral resource interests	441,854	1,645,668
Loss on disposal of equipment	717	-
Other income	-	(527)
	<u>(430,934)</u>	<u>(413,337)</u>
Decrease in amounts receivable	37,130	59,495
Decrease in prepaids	2,711	2,228
Decrease in accounts payable and accrued liabilities	<u>(134,894)</u>	<u>(6,424)</u>
	<u>(525,987)</u>	<u>(358,038)</u>
INVESTING ACTIVITIES		
Expenditures on mineral resource interests	(191,094)	(1,284,062)
Purchases of property and equipment	-	(28,262)
Purchase of other assets	-	(8,166)
Proceeds on sale of equipment	<u>23,925</u>	<u>19,626</u>
	<u>(167,169)</u>	<u>(1,300,864)</u>
FINANCING ACTIVITIES		
Issuance of common shares	547,700	-
Share issue costs	<u>(21,521)</u>	<u>-</u>
	<u>526,179</u>	<u>-</u>
DECREASE IN CASH AND CASH EQUIVALENTS		
- DURING THE YEAR	(166,977)	(1,658,902)
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	<u>432,690</u>	<u>2,091,592</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u><u>265,713</u></u>	<u><u>432,690</u></u>
CASH AND CASH EQUIVALENTS IS COMPRISED OF:		
Cash	265,713	32,472
Short term investment	<u>-</u>	<u>400,218</u>
	<u><u>265,713</u></u>	<u><u>432,690</u></u>

SUPPLEMENTAL CASH FLOW INFORMATION - Note 11

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

TUMI RESOURCES LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

1. NATURE OF OPERATIONS AND ABILITY TO CONTINUE AS A GOING CONCERN

Tumi Resources Limited (the “Company”) is a junior mineral exploration company currently engaged in the acquisition and exploration of precious metals on mineral properties located in Mexico and Sweden. On the basis of information to date, the Company has not yet determined whether these properties contain economically recoverable ore reserves. The underlying value of the mineral resource interests is entirely dependent on the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete development and upon future profitable production. Mineral resource interests represent costs incurred to date, less amounts amortized and/or written off, and do not necessarily represent present or future values.

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (“Canadian GAAP”) applicable to a going concern, which assumes that the Company will be able to meet its obligations and continue its operations for its next fiscal year. Realizable values may be substantially different from carrying values as shown and these financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern. At December 31, 2009 the Company had not yet achieved profitable operations, had working capital of \$213,416, has accumulated losses of \$11,728,572 since inception and expects to incur further losses in the development of its business, all of which casts substantial doubt about the Company’s ability to continue as a going concern. The operations of the Company have primarily been funded by the issuance of common shares. Continued operations of the Company are dependent on the Company’s ability to complete equity financings or generate profitable operations in the future. Management’s plan in this regard is to secure additional funds through future equity financings, which may be unavailable or unavailable on reasonable terms.

See also Note 14.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

These consolidated financial statements have been prepared by management in accordance with Canadian GAAP. The consolidated financial statements include the accounts of the Company, its wholly-owned subsidiaries, TMXI Resources S.A. de C.V., Kay Metals Ltd. and TM Resources A.B. Intercompany balances and transactions are eliminated on consolidation.

Use of Estimates

The preparation of financial statements in conformity with Canadian GAAP requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the period. Examples of significant estimates made by management include amortization, the provision for income taxes, composition of future income tax assets, future income tax liabilities and asset retirement obligations and valuations of mineral property interests, property and equipment and stock-based compensation. Actual results may differ from those estimates.

Cash Equivalents

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

TUMI RESOURCES LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Unproven Mineral Interests

Unproven mineral interests costs and exploration, development and field support costs directly relating to mineral interests are deferred until the interests to which they relate is placed into production, sold or abandoned. The deferred costs will be amortized over the life of the orebody following commencement of production or written off if the mineral interest is sold or abandoned. Administration costs and other exploration costs that do not relate to any specific mineral interest are expensed as incurred.

On a periodic basis, management reviews the carrying values of deferred unproven mineral interest acquisition and exploration expenditures with a view to assessing whether there has been any impairment in value. Management takes into consideration various information including, but not limited to, results of exploration activities conducted to date, estimated future metal prices, and reports and opinions of outside geologists, mine engineers and consultants. When it is determined that a project or interest will be abandoned or its carrying value has been impaired, a provision is made for any expected loss on the project or interest.

Although the Company has taken steps to verify title to the unproven mineral interests, according to the usual industry standards for the stage of exploration of such mineral interests, these procedures do not guarantee the Company's title. Such mineral interests may be subject to prior agreements or transfers and title may be affected by undetected defects.

From time to time, the Company acquires or disposes of mineral interests pursuant to the terms of option agreements. Options are exercisable entirely at the discretion of the optionee and, accordingly, are recorded as mineral interest costs or recoveries when the payments are made or received.

Property and Equipment

Property and equipment are recorded at cost. Depreciation is calculated using the straight-line method over the estimated useful life of the assets, at a rate of 5% for the condominium and 20% for office furniture and equipment and vehicles.

Impairment of Long-Lived Assets

Long-lived assets are assessed for impairment when events and circumstances warrant. The carrying value of a long-lived asset is impaired when the carrying amount exceeds the estimated undiscounted net cash flow from use and fair value. In that event, the amount by which the carrying value of an impaired long-lived asset exceeds its fair value is charged to earnings.

Asset Retirement Obligations

The fair value of a liability for an asset retirement obligation is recognized when a reasonable estimate of fair value can be made. The asset retirement obligation is recorded as a liability with a corresponding increase to the carrying amount of the related long-lived asset. Subsequently, the asset retirement cost is charged to earnings using a systematic and rational method and is adjusted to reflect period-to-period changes in the liability resulting from the passage of time and revisions to either the timing or the amount of the original estimate of undiscounted cash flow. As at December 31, 2009, the Company does not have any asset retirement obligations.

TUMI RESOURCES LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Translation of Foreign Currencies

The Company's foreign operations conducted through its subsidiaries are of an integrated nature and, accordingly, the temporal method of foreign currency translation is used for conversion of foreign denominated amounts. Monetary assets and liabilities are translated into Canadian dollars at the balance sheet date rate of exchange and non-monetary assets and liabilities at historical rates. Revenues and expenses are translated at appropriate transaction date rates except for amortization, depreciation and depletion, which are translated at historical rates. Gains and losses resulting from the fluctuation of foreign exchange rates have been included in the determination of income.

Stock-Based Compensation

Stock-based compensation is accounted for at fair value as determined by the Black-Scholes option pricing model using amounts that are believed to approximate the volatility of the trading price of the Company's stock, the expected lives of awards of stock-based compensation, the fair value of the Company's stock and the risk-free interest rate. The estimated fair value of awards of stock-based compensation are charged to expense as they are earned, with offsetting amounts recognized as contributed surplus.

Income Taxes

Future income tax liabilities and assets are recognized for the estimated income tax consequences attributable to differences between the amounts reported in the consolidated financial statements and their respective tax bases, using substantively enacted income tax rates. The effect of a change in income tax rates on future income tax liabilities and assets is recognized in income in the period that the change is substantively enacted. Future income tax assets are recognized to the extent that they are considered more likely than not to be realized.

Earnings (Loss) Per Share

Basic earnings per share is computed by dividing income available to common shareholders by the weighted average number of common shares outstanding during the period. The computation of diluted earnings per share assumes the conversion, exercise or contingent issuance of securities only when such conversion, exercise or issuance would have a dilutive effect on earnings per share. The dilutive effect of convertible securities is reflected in diluted earnings per share by application of the "if converted" method. The dilutive effect of outstanding options and warrants and their equivalents is reflected in diluted earnings per share by application of the treasury stock method.

Financial Instruments

Under Section 3251, *Equity*, and Section 3855, *Financial Instruments - Recognition and Measurement*, all financial instruments are classified into one of the following five categories: held-for-trading, held-to-maturity investments, loans and receivables, available-for-sale assets or other financial liabilities. All financial instruments, including derivatives, are included on the balance sheet and are measured at fair market value upon inception with the exception of certain related party transactions. Subsequent measurement and recognition of change in the fair value of financial instruments depends on their initial classification. Held-for-trading financial investments are measured at fair value and all gains and losses are included in operations in the period in which they arise. Available-for-sale financial instruments are measured at fair value with revaluation gains and losses included in other comprehensive income until the assets is removed from

TUMI RESOURCES LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

the balance sheet. Loans and receivables, held- to-maturity investments and other financial liabilities are measured at amortized cost using the effective interest method. Gains and losses upon inception, derecognition, impairment write-downs and foreign exchange translation adjustments are recognized immediately. Transaction costs related to financing will be expensed in the period incurred.

The Company has designated its cash and cash equivalents as held-for-trading, which is measured at fair value. Amounts receivable are classified as loans and receivables, which are measured at amortized cost. Accounts payable and accrued liabilities are classified as other financial liabilities, which are measured at amortized cost.

Section 3862, *Financial Instruments - Disclosures*, requires an entity to classify fair value measurements using a fair value hierarchy that reflects the significance of inputs used in making the measurements. The accounting standard establishes a fair value hierarchy based on the level of independent, objective evidence surrounding the inputs used to measure fair value. A financial instrument's categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement. Section 3862 prioritizes the inputs into three levels that may be used to measure fair value:

- Level 1 Applies to assets or liabilities for which there are quoted prices in active markets for identical assets or liabilities.
- Level 2 Applies to assets or liabilities for which there are inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly such as quoted prices for similar assets or liabilities in active markets or indirectly such as quoted prices for identical assets or liabilities in markets with insufficient volume or infrequent transactions.
- Level 3 Applies to assets or liabilities for which there are unobservable market data.

The Company's financial instruments consist principally of cash and cash equivalents, amounts receivable and accounts payable and accrued liabilities. Pursuant to Section 3862, fair value of assets and liabilities measured on a recurring basis include cash and cash equivalents determined based on Level 1 inputs. The Company believes that the recorded values of all amounts receivable and payable approximate their current fair values because of their nature and respective maturity dates or durations.

Comprehensive Income

Section 1530, *Comprehensive Income*, provides standards for the reporting and presentation of comprehensive income, which is defined as the change in equity from transactions and other events and circumstances from non-owner sources. Other comprehensive income refers to items recognized in comprehensive income but that are excluded from net income calculated in accordance with generally accepted accounting principles. A statement of comprehensive income has not been presented as no components of comprehensive income have been identified and therefore have not affected the current or comparative period balances on the consolidated financial statements.

TUMI RESOURCES LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Adoption of New Accounting Standards

Goodwill and Intangible Assets

The Accounting Standards Board (“AcSB”) issued Section 3064, *Goodwill and Intangible Assets*, which replaces Section 3062, *Goodwill and Other Intangible Assets*, and Section 3450, *Research and Development Costs*. This new section establishes standards for the recognition, measurement, presentation and disclosure of goodwill subsequent to its initial recognition and of intangible assets. This section applies to interim and annual financial statements relating to fiscal years beginning on or after October 1, 2008. The adoption of Section 3062 had no impact on the Company’s financial position and results of operations.

Future Accounting Policies

Business Combinations, Consolidated Financial Statements and Non-Controlling Interests

The CICA issued three new accounting standards in January 2009: Section 1582, *Business Combinations*, Section 1601, *Consolidated Financial Statements*, and Section 1602, *Non-Controlling Interests*. These new standards will be effective for fiscal years beginning on or after January 1, 2011. The Company is in the process of evaluating the requirements of the new standards.

Section 1582 replaces Section 1581, *Business Combinations*, and establishes standards for the accounting for a business combination. It provides the Canadian equivalent to International Financial Reporting Standards (“IFRS”) 3, *Business Combinations*. The section applies prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after January 1, 2011. Sections 1601 and 1602 together replace Section 1600, *Consolidated Financial Statements*. Section 1601, establishes standards for the preparation of consolidated financial statements. Section 1601 applies to interim and annual consolidated financial statements relating to fiscal years beginning on or after January 1, 2011. Section 1602 establishes standards for accounting for a non-controlling interest in a subsidiary in consolidated financial statements subsequent to a business combination. It is equivalent to the corresponding provisions of IFRS IAS 27, *Consolidated and Separate Financial Statements*, and applies to interim and annual consolidated financial statements relating to fiscal years beginning on or after January 1, 2011.

International Financial Reporting Standards

In 2006, the AcSB published a new strategic plan that will significantly affect financial reporting requirements for Canadian companies. The AcSB strategic plan outlines the convergence of Canadian GAAP with IFRS over an expected five year transitional period. In February 2008, the 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, 2011 will require the restatement for comparative purposes of amounts reported by the Company for the year ended December 31, 2010. While the Company has begun assessing the adoption of IFRS for 2011, the financial reporting impact of the transition to IFRS cannot be reasonably estimated at this time.

TUMI RESOURCES LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

3. PROPERTY AND EQUIPMENT

	2009	2008
	\$	\$
Condominium	132,840	132,840
Office furniture and equipment	14,711	14,711
Vehicles	<u>67,840</u>	<u>124,061</u>
	215,391	271,612
Less accumulated amortization	<u>(94,879)</u>	<u>(98,496)</u>
	<u><u>120,512</u></u>	<u><u>173,116</u></u>

4. MINERAL RESOURCE INTERESTS

	2009			2008		
	Acquisition Costs \$	Exploration Expenditures \$	Total \$	Acquisition Costs \$	Exploration Expenditures \$	Total \$
Sweden						
Bergslagen (a)	260,354	1,302,522	1,562,876	248,329	1,255,740	1,504,069
Mexico						
La Trini (b)	586,272	1,404,100	1,990,372	586,272	1,382,309	1,968,581
Sonora (c)	<u>35,910</u>	<u>211,343</u>	<u>247,253</u>	<u>81,305</u>	<u>476,466</u>	<u>557,771</u>
	<u><u>882,536</u></u>	<u><u>2,917,965</u></u>	<u><u>3,800,501</u></u>	<u><u>915,906</u></u>	<u><u>3,114,515</u></u>	<u><u>4,030,421</u></u>

(a) Bergslagen District, Sweden

The Company has acquired, through staking, mineral concessions in Sweden. As at December 31, 2009, the Company maintains ten exploration properties located in the Bergslagen District in south-central Sweden.

During fiscal 2009 the Company relinquished certain mineral concessions and wrote-off \$7,937 (2008 - \$274,515) in acquisition costs and exploration expenditures.

On April 28, 2008, the Company entered into an agreement with Goldsearch Limited (“Goldsearch”), whereby Goldsearch was granted an option to earn an undivided 70% interest in the Company’s Jugansbo, Sala 4, and Hallefors mineral concessions in the Bergslagen District, Sweden, by incurring a total of €1,000,000 on exploration expenditures by April 28, 2011, with €100,000 incurred by April 28, 2009 (incurred) and cumulative expenditures of €300,000 by April 28, 2010.

(b) La Trini, Mexico

The Company owns a 100% interest in the La Trini and Mololoa mineral claims (“La Trini Project”). The La Trini Project covers 356 hectares and is located in the Jalisco silver belt approximately 100 kilometres northwest of Guadalajara, Jalisco State, Mexico.

The La Trini Project is subject to a 1% net smelter return royalty (“NSR”) and the Company has the right to reduce the NSR to 0.5% through a cash payment of US \$1,000,000.

TUMI RESOURCES LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

4. MINERAL RESOURCE INTERESTS (continued)

(c) Sonora, Mexico

During fiscal 2009, the Company wrote-off \$433,917 (2008 - \$1,371,153) for acquisition costs and exploration expenditures. As at December 31, 2009, the Company maintains a portfolio of three mineral prospects located in Sonora State, Mexico.

On June 1, 2007, the Company signed a letter agreement with Minera Genminmex S.A. ("Genminmex"). Under the terms of the letter agreement, Genminmex may earn a 60% interest in two exploration concessions covering the Batamote 1 and 2, located in Sonora, Mexico, by incurring expenditures of US \$2,000,000 over five years. Upon earning the 60% interest, Genminmex may earn an additional 10% interest by incurring an additional US \$3,000,000 over seven years or completing a final feasibility study.

5. SHARE CAPITAL

Authorized: unlimited common shares with no par value

Issued:	<u>2009</u>		<u>2008</u>	
	Shares	Amount \$	Shares	Amount \$
Balance, beginning of year	<u>27,795,706</u>	<u>13,379,705</u>	<u>27,795,706</u>	<u>13,379,705</u>
Issued during the year				
For cash				
private placements	3,651,333	547,700	-	-
Less share issue costs	-	<u>(30,231)</u>	-	-
	<u>3,651,333</u>	<u>517,469</u>	<u>-</u>	<u>-</u>
Balance, end of year	<u><u>31,447,039</u></u>	<u><u>13,897,174</u></u>	<u><u>27,795,706</u></u>	<u><u>13,379,705</u></u>

(a) During fiscal 2009, the Company:

- (i) completed a non-brokered private placement of 351,333 units, at a price of \$0.15 per unit, for gross proceeds of \$52,700. Each unit consisted of one common share and one non-transferable share purchase warrant. Each warrant entitles the holder to purchase one additional share for a period of two years, at a price of \$0.20 per share on or before December 23, 2010 and at a price of \$0.25 per share on or before December 23, 2010;
- (ii) completed a non-brokered private placement of 2,500,000 units, at a price of \$0.15 per unit, for gross proceeds of \$375,000. Each unit consisted of one common share and one non-transferable share purchase warrant. Each warrant entitles the holder to purchase one additional share for a period of two years, at a price of \$0.20 per share on or before February 18, 2010 and at a price of \$0.25 per share on or before February 18, 2011, subject to a forced conversion that comes into effect once the shares trade at a weighted average price of \$0.40 per common share for a period of 20 consecutive trading days. Certain directors and officers of the Company purchased 400,000 units of the private placement.

TUMI RESOURCES LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

5. SHARE CAPITAL (continued)

The Company paid a finder's fee of \$16,080 cash and issued 67,000 finder's fee warrants on a portion of the financing. The finder's fee warrants have the same terms and conversion provisions as the private placement warrants. The fair value of the finder's fee warrants have been estimated using the Black-Scholes option pricing model. The assumptions used were: dividend yield - 0%; expected volatility - 148%; a risk free interest rate of 1.48%; and an expected life of 2 years. The value assigned to the finder's fee warrants was \$8,710; and

- (iii) completed a non-brokered private placement of 800,000 units, at a price of \$0.15 per unit, for gross proceeds of \$120,000. Each unit consisted of one common share and one non-transferable share purchase warrant. Each warrant entitles the holder to purchase one additional share for a period of two years, at a price of \$0.20 per share on or before March 25, 2010 and at a price of \$0.25 per share on or before March 25, 2011, subject to a forced conversion that comes into effect once the shares trade at a weighted average price of \$0.40 per common share for a period of 20 consecutive trading days.

The Company also incurred \$5,441 for filing fees on these private placements.

- (b) A summary of the number of common shares reserved pursuant to the Company's outstanding warrants at December 31, 2009 and 2008, and the changes for the years ending on those dates is as follows:

	2009		2008	
	Number	Weighted Average Exercise Price \$	Number	Weighted Average Exercise Price \$
Balance, beginning of year	-	-	4,801,893	0.82
Issued	3,718,333	0.20	-	-
Expired	-		<u>(4,801,893)</u>	0.82
Balance, end of year	<u>3,718,333</u>	0.20	<u>-</u>	-

The following table summarizes information about the number of common shares reserved pursuant to the Company's warrants outstanding at December 31, 2009:

Number	Exercise Price \$	Expiry Date
2,567,000	0.20 / 0.25	February 18, 2010 / 2011
800,000	0.20 / 0.25	March 25, 2010 / 2011
<u>351,333</u>	0.20 / 0.25	December 23, 2010 / 2011
<u>3,718,333</u>		

- (c) See also Note 14.

TUMI RESOURCES LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

6. STOCK OPTIONS AND STOCK-BASED COMPENSATION

The Company has established a rolling stock option plan (the “Plan”), in which the maximum number of common shares which can be reserved for issuance under the Plan is 10% of the issued and outstanding shares of the Company. The exercise price of the options is set at the Company’s closing share price on the day before the grant date, less allowable discounts in accordance with the policies of the TSX Venture Exchange. Options granted may be subject to vesting provisions as determined by the Board of Directors and have a maximum term of five years.

During fiscal 2009, the Company granted 1,258,000 stock options (2008 - 1,121,600) to the Company’s employees, directors, officers and consultants and recorded compensation expense of \$103,790 (2008 - \$222,446). In addition, the Company recorded \$10,775 (2008 - \$13,850) compensation expense for options which had vested during the year.

The fair value of stock options granted and vested during fiscal 2009 and 2008, is estimated using the Black-Scholes option pricing model with the following assumptions:

	2009	2008
Risk-free interest rate	1.81% - 1.95%	2.33% - 3.31%
Estimated volatility	126% - 128%	72% - 119%
Expected life	3 years	2 years - 3 years
Expected dividend yield	0%	0%
Estimated forfeiture rate	0%	0%

The average fair value per share of stock options, calculated using the Black-Scholes option pricing model, granted during fiscal 2009 to the Company’s employees, directors and consultants was \$0.08 (2008 - \$0.19) per option.

During fiscal 2009, the Company repriced stock options previously granted to purchase 357,000 common shares, from original exercise prices ranging from \$0.50 per share to \$0.80 per share, to \$0.15 per share. The fair value of the repriced stock options have been estimated using the Black-Scholes option pricing model. The assumptions used were: risk-free interest rate 0%; estimated volatility 148% - 195%; expected life 1.5 months to 2 years; expected dividend yield 0%; and estimated forfeiture rate 0%. The value assigned to the re-pricing of the stock options was \$11,360.

Option-pricing models require the use of estimates and assumptions including the expected volatility. Changes in the underlying assumptions can materially affect the fair value estimates and, therefore, existing models do not necessarily provide a reliable measure of the fair value of the Company’s stock options.

A summary of the Company’s outstanding stock options at December 31, 2009 and 2008, and the changes for the years ending on those dates is as follows:

	2009		2008	
	Options Outstanding	Weighted Average Exercise Price \$	Options Outstanding	Weighted Average Exercise Price \$
Balance, beginning of year	2,480,000	0.56	2,355,000	0.56
Granted	1,258,000	0.15	1,121,600	0.47
Expired	(1,098,400)	0.55	(974,100)	0.47
Forfeited	-	-	(22,500)	0.50
Balance, end of year	2,639,600	0.31	2,480,000	0.56

TUMI RESOURCES LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

6. STOCK OPTIONS AND STOCK-BASED COMPENSATION (continued)

The following table summarizes information about the stock options outstanding and exercisable at December 31, 2009:

Number Outstanding	Number Exercisable	Exercise Price \$	Expiry Date
300,000	300,000	0.80	June 12, 2010
65,000	65,000	0.15	June 12, 2010
553,600	553,600	0.50	April 9, 2011
292,000	292,000	0.15	April 9, 2011
171,000	171,000	0.30	July 20, 2011
853,000	853,000	0.15	March 5, 2012
<u>405,000</u>	<u>397,500</u>	0.15	July 14, 2012
<u>2,639,600</u>	<u>2,632,100</u>		

7. CONTRIBUTED SURPLUS

Contributed surplus for fiscal 2009 and 2008, is comprised of the following:

	2009 \$	2008 \$
Balance, beginning of year	1,846,100	1,609,804
Stock-based compensation on options (Note 6)	125,925	236,296
Stock-based compensation on agent's warrants (Note 5(a)(ii))	<u>8,710</u>	<u>-</u>
Balance, end of year	<u>1,980,735</u>	<u>1,846,100</u>

8. INCOME TAXES

Future income tax assets and liabilities of the Company as at December 31, 2009 and 2008 are as follows:

	2009 \$	2008 \$
Future income tax assets (liabilities)		
Losses carried forward	1,204,200	1,177,700
Share issue costs and other	50,500	108,800
Mineral resource interests	<u>(202,500)</u>	<u>(101,000)</u>
	1,052,200	1,185,500
Valuation allowance	<u>(1,052,200)</u>	<u>(1,185,500)</u>
Net future income tax asset	<u>-</u>	<u>-</u>

The recovery of income taxes shown in the consolidated statements of loss and comprehensive loss and deficit differs from the amounts obtained by applying substantively enacted statutory rates to the loss before provision for income taxes due to the following:

TUMI RESOURCES LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

8. INCOME TAXES (continued)

	2009	2008
	\$	\$
Combined federal and provincial income tax rate	<u>30.00%</u>	<u>30.97%</u>
Expected income tax recovery	(301,800)	(713,900)
Effect of income tax rate changes	37,200	95,700
Foreign income tax rate differences	(13,600)	(6,800)
Non-deductible stock-based compensation	37,800	73,200
Unrecognized benefit of income tax losses	284,700	593,000
Other	<u>(44,300)</u>	<u>(41,200)</u>
Actual income tax recovery	<u>-</u>	<u>-</u>

As at December 31, 2009, the Company has non-capital losses of approximately \$3,512,200 and accumulated pools of approximately \$202,000 for Canadian income tax purposes to offset against future income. The non-capital losses expire commencing 2010 to 2029.

The Company also has non-capital losses of approximately \$763,300 for Mexican income tax purposes and approximately \$282,300 for Swedish income tax purposes.

Future income tax benefits which may arise as a result of these losses have not been recognized in the financial statements as their realization is unlikely.

9. RELATED PARTY TRANSACTIONS

During fiscal 2009, the Company:

- i) incurred \$48,700 (2008 - \$37,600) for office rent and accounting, management and administration services provided by a director and private corporations owned by a director of the Company;
- ii) incurred \$96,000 (2008 - \$96,000) for management services provided by the President of the Company. Of this amount, \$5,818 (2008 - \$31,117) has been capitalized as geological costs in mineral resource interests and \$90,182 (2008 - \$64,883) expensed as management fees; and
- iii) received \$6,792 (2008 - \$6,705) from Tinka Resources Limited (“Tinka”) for rental of its condominium in Peru, and was reimbursed \$23,450 (2008 - \$24,000) for shared office personnel from public companies with certain directors in common.

As at December 31, 2009, \$62,100 (2008 - \$98,150) remained outstanding and has been included in accounts payable and accrued liabilities.

Unless otherwise stated, related party transactions are measured at the exchange amount, being the amount of consideration established and agreed to by the related parties.

TUMI RESOURCES LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

10. SEGMENTED INFORMATION

The Company is involved in mineral exploration and development activities in Mexico and Sweden. The Company also owns a condominium in Peru. The Company is in the exploration stage and, accordingly, has no reportable segment revenues or operating results.

The Company's total assets are segmented geographically as follows:

	2009				
	Canada	Mexico	Peru	Sweden	Total
	\$	\$	\$	\$	\$
Current assets	243,709	50,179	-	23,828	317,716
Property and equipment	-	13,634	96,301	10,577	120,512
Mineral resource interests	-	2,237,625	-	1,562,876	3,800,501
Other assets	-	-	-	14,908	14,908
	<u>243,709</u>	<u>2,301,438</u>	<u>96,301</u>	<u>1,612,189</u>	<u>4,253,637</u>
	2008				
	Canada	Mexico	Peru	Sweden	Total
	\$	\$	\$	\$	\$
Current assets	438,858	59,229	-	26,447	524,534
Property and equipment	-	45,585	102,945	24,586	173,116
Mineral resource interests	-	2,526,352	-	1,504,069	4,030,421
Other assets	-	-	-	14,908	14,908
	<u>438,858</u>	<u>2,631,166</u>	<u>102,945</u>	<u>1,570,010</u>	<u>4,742,979</u>

11. SUPPLEMENTAL CASH FLOW INFORMATION

Non-cash activities were conducted by the Company for fiscal 2009 and 2008, as follows:

	2009	2008
	\$	\$
Operating activities		
Amortization	21,318	27,134
Accounts payable for mineral resource interests	4,678	5,156
	<u>25,996</u>	<u>32,290</u>
Investing activity		
Expenditures on mineral resource interests	<u>(25,996)</u>	<u>(32,290)</u>
Financing activities		
Contributed surplus	8,710	-
Share issue costs	<u>(8,710)</u>	<u>-</u>
	<u>-</u>	<u>-</u>

TUMI RESOURCES LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

11. SUPPLEMENTAL CASH FLOW INFORMATION (continued)

Other supplemental cash flow information:

	2009	2008
	\$	\$
Interest paid in cash	-	-
Income taxes paid in cash	-	-

12. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

The carrying value of cash, amounts receivable and accounts payable and accrued liabilities approximate their fair value because of the short-term nature of these instruments.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit Risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to amounts receivable. Management believes that the credit risk concentration with respect to financial instruments included in amounts receivable is remote.

Liquidity Risk

Liquidity risk is the risk that the Company will not have the resources to meet its obligations as they fall due. The Company manages this risk by closely monitoring cash forecasts and managing resources to ensure that it will have sufficient liquidity to meet its obligations. All of the Company's liabilities are classified as current and are anticipated to mature within the next fiscal year. The Company intends to settle these with funds from its positive working capital position.

Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices. These fluctuations may be significant.

(a) Interest Rate Risk

The Company is exposed to interest rate risk to the extent that the cash and cash equivalents bear floating rates of interest. The interest rate risk on cash and cash equivalents and on the Company's obligations are not considered significant.

TUMI RESOURCES LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

12 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

(b) Foreign Currency Risk

The Company has operations in Canada, Mexico and Sweden subject to foreign currency fluctuations. The Company's operating expenses are incurred in Canadian Dollars, Swedish Krona and Mexican Pesos, and the fluctuation of the Canadian dollar in relation to these other currencies will have an impact upon the profitability of the Company and may also affect the value of the Company's assets and the amount of shareholders' equity. The Company has not entered into any agreements or purchased any instruments to hedge possible currency risks. At December 31, 2009, 1 Canadian Dollar was equal to 12.50 Mexican Pesos and 6.83 Swedish Krona.

Balances are as follows:

	Mexican Pesos	Swedish Krona	CDN \$ Equivalent
Cash	177,555	71,638	24,693
Amounts receivable	449,825	73,281	46,715
Accounts payable and accrued liabilities	<u>(44,204)</u>	<u>(98,436)</u>	<u>(17,948)</u>
	<u>583,176</u>	<u>46,483</u>	<u>53,460</u>

Based on the net exposures as of December 31, 2009 and assuming that all other variables remain constant, a 10% depreciation on the Canadian Dollar against the Mexican Peso and Swedish Krona would be insignificant to the Company's net earnings.

13 CAPITAL MANAGEMENT

The Company's objective when managing capital is to safeguard its ability to continue as a going concern. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition and exploration of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The Company defines capital that it manages as share capital, cash equivalents and short-term investments. The properties in which the Company currently has an interest are in the exploration stage; as such the Company has historically relied on the equity markets to fund its activities. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

14. SUBSEQUENT EVENT

During March 2010, the Company completed a non-brokered private placement financing of 3,000,000 units, at a price of \$0.10 per unit for gross proceeds of \$300,000. Each unit consisted of one common share and one non-transferable share purchase warrant. Each warrant entitles the holder to purchase one additional share for a period of two years, at a price of \$0.15 per share on or before March 25, 2012.

TUMI RESOURCES LIMITED
CONSOLIDATED SCHEDULE OF MINERAL RESOURCE INTERESTS
FOR THE YEARS ENDED DECEMBER 31

	<u>2009</u>				<u>2008</u>
	<u>Mexico</u>		<u>Sweden</u>		<u>Total</u> \$
	<u>La</u> <u>Trini</u> \$	<u>Sonora</u> \$	<u>Bergslagen</u> <u>District</u> \$	<u>Total</u> \$	
BALANCE - BEGINNING OF YEAR	<u>1,968,581</u>	<u>557,771</u>	<u>1,504,069</u>	<u>4,030,421</u>	
COSTS INCURRED DURING YEAR					
EXPLORATION					
Airborne survey	-	-	-	-	100,862
Amortization	13,473	-	7,845	21,318	27,134
Assays	-	56,931	-	56,931	34,451
Assay preparation	-	5,312	-	5,312	9,077
Camp costs	-	2,141	-	2,141	11,609
Consulting	1,319	7,582	-	8,901	152,617
Database	-	-	831	831	1,208
Drilling	-	-	-	-	234,780
Equipment rental	-	4,945	-	4,945	8,126
Exploration site costs	1,158	9,346	1,652	12,156	123,576
Field workers	-	-	-	-	19,352
Fuel	-	3,889	-	3,889	24,774
Geological	-	13,073	1,830	14,903	41,924
Maps	-	-	1,047	1,047	1,502
Property holding costs	5,841	8,838	-	14,679	72,699
Repair and maintenance	-	986	-	986	-
Salaries and benefits	-	4,806	41,514	46,320	406,491
Travel	-	5,550	-	5,550	32,329
	<u>21,791</u>	<u>123,399</u>	<u>54,719</u>	<u>199,909</u>	<u>1,302,511</u>
ACQUISITION					
Staking and related costs	-	-	12,025	12,025	13,841
	<u>21,791</u>	<u>123,399</u>	<u>66,744</u>	<u>211,934</u>	<u>1,316,352</u>
BALANCE BEFORE WRITE-OFFS	1,990,372	681,170	1,570,813	4,242,355	5,676,089
WRITE-OFFS	-	(433,917)	(7,937)	(441,854)	(1,645,668)
BALANCE - END OF YEAR	<u>1,990,372</u>	<u>247,253</u>	<u>1,562,876</u>	<u>3,800,501</u>	<u>4,030,421</u>

TUMI RESOURCES LIMITED

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2009

Background

This discussion and analysis of financial position and results of operation is prepared as at April 19, 2010 and should be read in conjunction with the audited consolidated financial statements for the years ended December 31, 2009 and 2008 of Tumi Resources Limited (the "Company"). Those financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). Except as otherwise disclosed, all dollar figures included therein and in the following management discussion and analysis ("MD&A") are quoted in Canadian dollars. Additional information relevant to the Company's activities, can be found on SEDAR at www.sedar.com.

Company Overview

The Company is a junior mineral exploration company primarily engaged in the acquisition and exploration of precious metals on mineral properties located in Mexico and Sweden with the aim of developing them to a stage where they can be exploited at a profit or to arrange joint ventures whereby other companies provide funding for development and exploitation. As of the date of this MD&A, the Company has not earned any production revenue, nor found any proved reserves on any of its properties. The Company is a reporting issuer in British Columbia and Alberta and trades on the TSX Venture Exchange ("TSXV") under the symbol "TM", on the Frankfurt Exchange under the symbol "TUY" and on the Pink Sheets under the symbol "TUMIF". On May 7, 2009, the Company filed a Form 15F to voluntarily terminate its reporting obligations with the U.S. Securities and Exchange Commission ("SEC") as a foreign private issuer under the Securities Act of 1934. As a result, the Company's common stock are no longer quoted on the Over-the-Counter Bulletin Board, however the Company continues to be quoted on the Pink Sheets.

Forward Looking Statements

Certain information included in this discussion may constitute forward-looking statements. Forward-looking statements are based on current expectations and entail various risks and uncertainties. These risks and uncertainties could cause or contribute to actual results that are materially different than those expressed or implied. The Company disclaims any obligation or intention to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

Exploration Projects Update

Sweden

Research for new silver projects took the Company to the Bergslagen District in Sweden. Bergslagen lies immediately to the northwest of Stockholm and covers an area of approximately 200km east-west by 150km north-south. Bergslagen is highly mineralized and is one of the most important ore districts in Europe, containing deposits of iron, manganese, base-metals and silver.

The Company has maintained ten properties in the Bergslagen District where four projects are undergoing detailed exploration:

Sala

Sala, now a historical mine site, was Europe's largest silver producer since the 16th Century. Production ceased in the early part of the 20th Century. Historical records show it was likely that in excess of 200 million ounces of silver were recovered from Sala with grades as high as 7,000 g/t.

Over the last year at Sala, the Company has completed a literature search of all historical data from the area, detailed ground mapping and 44 line-kms of detailed ground EM covering the old mine and surrounding prospective ground. As a result of this work a drill target has been defined immediately to the west of and parallel to the old mine and extending to the southwest. The potential target strike length is about one kilometre. There is evidence of old drill holes in this area; no information about these holes has been found in the public domain.

An initial ten-hole diamond drilling program totalling 2,282.3m commenced in February and was completed in July. On July 16, 2008, the Company announced the assay results of the first diamond drill hole at the Sala silver-zinc-lead project. The first hole intersected a 75m wide zone of highly anomalous zinc mineralization. Within this zone, semi-massive and stringer type sphalerite mineralization occur together with galena and unidentified silver minerals in three bands of up to 6.6m width.

Following the success of drill hole 08-001, holes 08-002 and 08-003 were drilled on the same section to test the up dip and down dip extent of mineralization respectively. Hole 08-002, drilled above hole 08-001, intersected the mineralized zone over a 28m interval. Hole 08-003, drilled below hole 08-001, intersected a 92m wide zone of polymetallic zinc-dominant mineralization. The 92m intercept in hole 08-003, calculated without lower cut-off, averaged 3.8% zinc and 56 g/t silver. Mineralization discovered in hole 08-003 is better in both grade and thickness with respect to the up-dip interval in 08-001, and suggests that the grade of mineralization may be improving to depth. Also, mineralization intersected in holes 08-004, 08-006 and 08-008, at a distance of up to 500m along strike from the initial intersection in hole 08-001, demonstrates a one kilometre long massive sulphide target zone to the west of the Sala mine.

Tomtebo

Earliest records indicate that the Tomtebo mine was first discovered and developed in the mid-17th century producing ores containing copper, zinc, silver and gold. Following an airborne electromagnetic (“EM”) survey completed last autumn, flown along lines spaced 100m apart, the data has been reviewed, modelled and interpreted by an independent geophysicist in Australia. Numerous conductive zones were identified in the database; most were of “cultural” origin (powerlines, culverts, electric fences, buildings), but a few appear to be legitimate targets near the old workings at Tomtebo.

In December of 2007, the Company completed an induced polarization (“IP”) survey covering an area of 1,000m by 800m centered on an airborne electromagnetic (“EM”) anomaly located by the survey as worthy of follow-up. The IP survey supports the existence of the EM anomaly and, in addition, several previously unknown anomalies with high chargeability and low resistivity were detected.

A drill permit has been approved for an initial drill program at Tomtebo which will be undertaken as soon as practicable.

Vitturn

One of the better known historic mineral fields in the Bergslagen District is Stollberg where there are deep abandoned, base metal and silver mines. Numerous old mines and workings occur along this north-south trending belt over a distance of 12kms. At the northern end of the field the Company owns the Vitturn 1, 2 and 3 licences and believes the host mineral sequence may extend under till cover into this licence area. In order to test the theory, the Company let a contract for a gradient array IP survey totalling about 19 line kms over the zone of interest. The results have been received and interpretation underway.

The induced polarization survey to test the Company’s theory that the favourable mineral horizon extends northwards under till cover into Vitturn 1 and 2 was completed in June, 2008. An independent geophysicist has interpreted the results on behalf of the Company and has reported: “The data quality for the survey is of a very high standard with both the observed resistivity and chargeability data very coherent. The most obvious feature delineated by the data is the coincident high chargeable-low resistivity body that strikes in NNW orientation for approximately 400m. The correlation of the elevated chargeability and the low resistivity, with the good levels of data quality and the high coherency of the chargeability decays makes this a priority anomaly”.

A drill permit has been approved for an initial drill program at Vitturn to test this anomaly which will be undertaken as soon as practicable.

Jonsmossen

The Company has received all results from the 2008 airborne electromagnetics (“EM”) and magnetic surveys over two of the Company’s 100% owned licence areas in the Bergslagen District of Sweden. The licence areas were flown on a 100m line spacing. Preliminary interpretation of the geophysical results suggests significant EM anomalies underlie both areas. At Jonsmossen, a thorough analysis of the data has revealed the existence of two significant EM anomalies in a prospective stratigraphic horizon, extending from ground level to more than 100m below the surface. A surface inspection of the area has revealed the absence of anthropogenic (cultural) causes for the anomalies suggesting that they may be caused by conductive minerals below the ground surface.

The Jonsmossen licence is located at the southern end of the well known Stollberg historic mineral field and has a similar geological setting, where numerous deep, abandoned silver and base metal mines are found along a north-south trending belt over a distance of 12km. Production records indicate that the historic Stollberg mine produced 3.7 million tons of lead-zinc-silver ore until its closure in 1981.

During the quarter three lines of pole-dipole IP were completed over the area of the EM anomalies. The results have been received and interpretation underway.

Jugansbo, Hällefors and Sala 4

These three licenses have been farmed out to Goldsearch Limited (ASX-GSE) who may earn up to a 70% interest in the properties by incurring exploration expenditures of 1 million Euros within three years.

Mexico

The Company maintains the 100% rights to five properties located in the Mexican states of Jalisco and Sonora. There are two high priority projects which will be the focus of the Company’s immediate ongoing Mexican exploration program, these projects are as follows:

La Trini

Between December 2005 and October 2007 the Company undertook three reverse circulation drill programs at La Trini. At the completion of analyses of all Phase 3 drill holes, a resource calculation was undertaken which has increased the historical resources by about 25%. The calculation was undertaken by an independent qualified geologist in keeping with NI43-101 requirements. Current resources are:

Category	Ag Cut-off (g/t)	Tonnes	Avg. Grade Ag (g/t)	Avg. Grade Au (g/t)	Troy Ounces Ag/Short Ton	Troy Ounces Au/Short Ton
Indicated	30	1,661,359	121.3	0.88	3.54	0.026
Inferred	30	192,880	98.6	0.92	2.88	0.027

Sonora - Batamote

This property, located in northern Sonora, is underlain by geology that has some similarities to the Phoenix property, and it contains several small artisanal mine workings along highly altered structures, presumably mined for gold and silver. This large concession lies a few kilometres west of the advanced stage El Chanate gold deposit.

During May 2007, the Company announced that the Batamote concessions had been farmed out to Minera Genminmex S.A. who has the right to earn a 70% interest by spending US \$5 million over seven years.

The qualified person for all of the Company’s projects is David Henstridge, the Company’s president and CEO, a fellow of the Australasian Institute of Mining and Metallurgy and a member of the Australian Institute of Geoscientists.

Selected Financial Data

The following selected financial information is derived from the audited annual consolidated financial statements of the Company prepared in accordance with Canadian GAAP.

	Years Ended December 31,		
	2009 \$	2008 \$	2007 \$
Operations:			
Revenues	Nil	Nil	Nil
Expenses	(550,336)	(688,421)	(696,365)
Other items	(455,738)	(1,616,573)	(36,469)
Net Income (loss)	(1,006,074)	(2,304,994)	(732,834)
Basic and diluted income (loss) per share	(0.03)	(0.08)	(0.03)
Dividends per share	Nil	Nil	Nil
Balance Sheet:			
Working capital	213,416	284,862	2,004,219
Total assets	4,253,637	4,742,979	6,812,945
Total long-term liabilities	Nil	Nil	Nil

The following selected financial information is derived from the unaudited interim consolidated financial statements of the Company prepared in accordance with Canadian GAAP.

	Fiscal 2009				Fiscal 2008			
	Dec. 31 \$	Sep. 30 \$	Jun. 30 \$	Mar. 31 \$	Dec. 31 \$	Sep. 30 \$	Jun. 30 \$	Mar. 31 \$
Operations:								
Revenues	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Expenses	(88,085)	(132,856)	(126,504)	(202,891)	(132,863)	(96,154)	(305,451)	(153,953)
Other items	413	(449,887)	(5,405)	(859)	(1,542,626)	(131,692)	30,199	27,546
Net income (loss)	(87,672)	(582,743)	(131,909)	(203,750)	(1,675,489)	(227,846)	(275,252)	(126,407)
Basic and diluted loss per share	(0.00)	(0.02)	(0.00)	(0.01)	(0.06)	(0.00)	(0.01)	(0.00)
Dividends per share	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Balance Sheet:								
Working capital	213,416	271,792	470,143	589,206	284,862	658,737	1,082,202	1,587,291
Total assets	4,253,637	4,260,781	4,799,378	4,905,813	4,742,979	6,281,660	6,518,231	6,632,655
Total long-term liabilities	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Results of Operations

Three Months Ended December 31, 2009 Compared to Three Months Ended December 31, 2008

During the three months ended December 31, 2009 (the "2009 Quarter") the Company reported a net loss of \$87,672, compared to a net loss of \$1,675,489 for the three months ended December 31, 2008 (the "2008 Quarter"), a decrease in loss of \$1,587,817. The decrease in loss in the 2009 Quarter is primarily attributed to the write-off of mineral resource interests of \$1,645,668 in the 2008 Quarter.

Year Ended December 31, 2009 Compared to Year Ended December 31, 2008

During the year ended December 31, 2009 ("fiscal 2009"), the Company incurred a loss of \$1,006,074 (\$0.03 per share), a decrease in loss of \$1,298,920, compared to a loss of \$2,304,994 (\$0.08 per share) for the year ended December 31, 2008 (the "fiscal 2008"). The decrease in loss during fiscal 2009 is primarily attributed to the write off of mineral resource interests of \$1,645,668 in fiscal 2008.

General and administrative expenses decreased by \$138,085 from \$688,421 during fiscal 2008 to \$550,336 during fiscal 2009. Specific expenses of note are as follows:

- general exploration costs increased by \$52,744, from \$51,874 during fiscal 2008 to \$104,618 during fiscal 2009. Fluctuations in general exploration is affected by allocations to direct property costs;

- the Company has been engaged in an ongoing program in communicating with its investors and investment community. The Company retained Mining Interactive Corp (“Mining Interactive”) to provide investor relations activities on behalf of the Company. During fiscal 2009 the Company paid Mining Interactive \$31,500 (2008 - \$57,500). Effective December 1, 2009, the Company and Mining Interactive agreed to reduce the monthly fees to \$2,500;
- stock based compensation of \$125,925 (2008 - \$236,296) was recorded in fiscal 2009 relating to the granting and vesting of stock options;
- management fees expensed have increased by \$25,299, from \$64,883 in fiscal 2008 to \$90,182 in fiscal 2009. The increase was due solely to a decrease in the portion of the President’s remuneration being capitalized as geological costs;
- accounting and administration fees of \$31,400 (2008 - \$32,200) for bookkeeping and accounting services provided by Chase Management Ltd. (“Chase”) a private company owned by a director of the Company. In addition, the Company paid \$5,300 (2008 - \$5,400) to Chase for office space provided; and
- consulting fees decreased by \$15,062, from \$59,120 in fiscal 2008 to \$44,058 in fiscal 2009. During fiscal 2009 and 2008 the Company was charged by consultants for administrative services and shared office personnel.

During fiscal 2009 the Company reported \$8,115 interest and other income compared to \$45,251 during fiscal 2008. Interest income of \$1,323 (2008 - \$38,546) was generated from short-term investments and other income of \$6,792 (2008 - \$6,705) from the rental of its condominium in Peru. The decrease in interest income during fiscal 2009 was due to lower funds held and lower interest rates.

During fiscal 2009 the Company incurred \$211,934 (2008 - \$1,316,352) on acquisition costs and exploration activities on its mineral resource interests. In aggregate, the Company capitalized \$66,744 (2008 - \$709,531) on its Swedish properties and \$145,190 (2008 - \$606,821) on its Mexican Properties. The Company also recorded a write-off of \$441,854 (2008 - \$1,645,668) for costs incurred on its various mineral interests. See “Exploration Projects Update”.

Financial Condition / Capital Resources

As at December 31, 2009, the Company had working capital of \$213,416. In light of the current financial market conditions the Company has reduced ongoing corporate overhead and personnel and non-essential expenditures, including the postponement of certain exploration activities until market conditions improve. The Company does not have sufficient financial resources to meet ongoing level of corporate activities for the ensuing year. The Company will need to raise additional financings to meet its planned exploration activities on all of its mineral resource interest projects and ongoing corporate overheads. In addition, exploration activities may change due to ongoing results and recommendations or the Company may acquire additional mineral properties, which may entail significant funding or exploration commitments. The Company has relied solely on equity financing to raise the requisite financial resources. While it has been successful in the past, there can be no assurance that the Company will be successful in raising future financings should the need arise.

Subsequent to December 31, 2009 the Company completed a non-brokered private placement financing of 3,000,000 units for gross proceeds of \$300,000.

Contractual Commitments

The Company has no contractual commitments.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Proposed Transactions

The Company does not have any proposed transactions.

Critical Accounting Estimates

A detailed summary of all the Company’s significant accounting policies is included in Note 2 to the annual consolidated financial statements for the year ended December 31, 2009.

Changes in Accounting Principles

Adoption of New Accounting Standards

Goodwill and Intangible Assets

The Accounting Standards Board (“AcSB”) issued Section 3064, *Goodwill and Intangible Assets*, which replaces Section 3062, *Goodwill and Other Intangible Assets*, and Section 3450, *Research and Development Costs*. This new section establishes standards for the recognition, measurement, presentation and disclosure of goodwill subsequent to its initial recognition and of intangible assets. This section applies to interim and annual financial statements relating to fiscal years beginning on or after October 1, 2008.

The Company has determined that there is no impact of the above new accounting standards on the Company’s financial position and results of operations.

Future Accounting Policies

Business Combinations, Consolidated Financial Statements and Non-Controlling Interests

The CICA issued three new accounting standards in January 2009: Section 1582, *Business Combinations*, Section 1601, *Consolidated Financial Statements*, and Section 1602, *Non-Controlling Interests*. These new standards will be effective for fiscal years beginning on or after January 1, 2011. The Company is in the process of evaluating the requirements of the new standards.

Section 1582 replaces Section 1581, *Business Combinations*, and establishes standards for the accounting for a business combination. It provides the Canadian equivalent to International Financial Reporting Standards (“IFRS”) 3, *Business Combinations*. The section applies prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after January 1, 2011.

Sections 1601 and 1602 together replace Section 1600, *Consolidated Financial Statements*. Section 1601, establishes standards for the preparation of consolidated financial statements. Section 1601 applies to interim and annual consolidated financial statements relating to fiscal years beginning on or after January 1, 2011. Section 1602 establishes standards for accounting for a non-controlling interest in a subsidiary in consolidated financial statements subsequent to a business combination. It is equivalent to the corresponding provisions of IFRS IAS 27, *Consolidated and Separate Financial Statements*, and applies to interim and annual consolidated financial statements relating to fiscal years beginning on or after January 1, 2011.

International Financial Reporting Standards

In 2006, the AcSB published a new strategic plan that will significantly affect financial reporting requirements for Canadian companies. The AcSB strategic plan outlines the convergence of Canadian GAAP with IFRS over an expected five year transitional period. In February 2008, the 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. Companies will be required to provide comparative IFRS information for the previous fiscal year.

The Company has commenced the scoping and planning phase of its changeover plan. The Company has designated the appropriate resources to the project to develop an effective plan and will continue to assess resource and training requirements as the project progresses. The Company has identified the following four phases of its conversion plan: scoping and planning, detailed assessment, operations implementation and post implementation. The scoping and planning phase involves establishing a project management team, mobilizing organizational support for the conversion plan, identifying major areas affected and developing an implementation plan. The Company expects to complete the scoping and planning phase during the 2010 fiscal year. The detailed assessment phase (“Phase 2”) will result in accounting policies and transitional exemptions decisions, quantification of financial statement impact, preparation of shell financial statements and identification of business processes and resources impacted. The operations implementation phase (“Phase 3”) includes the design of business, reporting and system processes to support the compilation of IFRS compliant financial data for the opening balance sheet at January 1, 2010 and thereafter. Phase 3 also includes ongoing training, testing of the internal control environment and updated processes for disclosure controls and procedures. Post implementation (“Phase 4”) will include sustainable IFRS compliant financial data and

processes for fiscal 2011 and beyond. The Company will continue to monitor changes in IFRS throughout the duration of the implementation process and assess their impacts on the Company and its reporting.

Transactions with Related Parties

During fiscal 2009, the Company:

- i) incurred \$48,700 (2008 - \$37,600) for office rent and accounting, management and administration services provided by a director and private corporations owned by a director of the Company;
- ii) incurred \$96,000 (2008 - \$96,000) for management services provided by the President of the Company. Of this amount, \$5,818 (2008 - \$31,117) has been capitalized as geological costs in mineral resource interests and \$90,182 (2008 - \$64,883) expensed as management fees; and
- iii) received \$6,792 (2008 - \$6,705) from Tinka Resources Limited (“Tinka”) for rental of its condominium in Peru, and was reimbursed \$23,450 (2008 - \$24,000) for shared office personnel from public companies with certain directors in common.

As at December 31, 2009, \$62,100 (2008 - \$98,150) remained outstanding and has been included in accounts payable and accrued liabilities.

Unless otherwise stated, related party transactions are measured at the exchange amount, being the amount of consideration established and agreed to by the related parties.

Risks and Uncertainties

The Company competes with other mining companies, some of which have greater financial resources and technical facilities, for the acquisition of mineral concessions, claims and other interests, as well as for the recruitment and retention of qualified employees.

The Company is in compliance in all material regulations applicable to its exploration activities. Existing and possible future environmental legislation, regulations and actions could cause additional expense, capital expenditures, restrictions and delays in the activities of the Company, the extent of which cannot be predicted. Before production can commence on any properties, the Company must obtain regulatory and environmental approvals. There is no assurance that such approvals can be obtained on a timely basis or at all. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability of operations.

The Company’s mineral properties are located in Mexico and Sweden and consequently the Company is subject to certain risks, including currency fluctuations and possible political or economic instability which may result in the impairment or loss of mining title or other mineral rights, and mineral exploration and mining activities may be affected in varying degrees by political stability and governmental regulations relating to the mining industry.

Investor Relations Activities

The Company provides information packages to investors; the package consists of materials filed with regulatory authorities. The Company updates its website (www.tumiresources.com) on a continuous basis. The Company has an arrangement with Mining Interactive to provide market awareness and investor relations activities at a current monthly fee of \$2,500. The arrangement may be terminated by either party on 15 days notice. During fiscal 2009, the Company paid \$31,500 (2008 - \$57,500).

Outstanding Share Data

The Company’s authorized share capital is unlimited common shares with no par value. As at April 19, 2010, there were 34,447,039 outstanding common shares, 2,639,600 stock options outstanding with exercise prices ranging from \$0.15 to \$0.80 per share and 6,718,333 warrants outstanding with exercise prices ranging from \$0.15 to \$0.20 per share.