Geomega Resources Inc.
(An exploration stage Company)

Unaudited interim financial statements for the three months ended

August 31, 2010

Notice to reader

The accompanying unaudited interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these unaudited interim financial statements for the quarter ended August 31, 2010.

Geomega Resources Inc.
(An exploration stage Company)
Statements of Deferred exploration expenses
(Unaudited)

	Three months ended August 31, 2010	Three months ended August 31, 2009
	$	$
Deferred exploration expenses, beginning	**-**	93 686
Exploration expenses		
Drilling	**68 631**	-
Geology	**15 599**	-
43-101 reports	**17 499**	-
Analysis	**442**	-
Permits	**1 381**	-
Increase in deferred exploration expenses	**103 552**	-
Exploration tax credits	**(40 955)**	-
Deferred exploration expenses, end	**62 597**	93 686

The accompanying notes are an integral part of the interim financial statements.

Geomega Resources Inc.
(An exploration stage Company)
Balance Sheets

	As at August 31, 2010 (unaudited)	As at May 31, 2010 (audited)
ASSETS	**$**	$
Current assets		
Cash and cash equivalents	**22 030**	89 854
Amounts receivable (note 4)	**61 862**	1 762
Advances and prepaid expenses	**76 629**	3 500
	160 521	95 116
Equipment (note 5)	**1 031**	-
Mineral properties and deferred exploration expenses (note 6)	**270 206**	116 953
	431 758	212 069
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities	**88 260**	12 865
SHAREHOLDERS' EQUITY		
Share Capital (note 7)	**481 652**	330 002
Warrants	**42 600**	-
Deficit	**(180 754)**	(130 798)
	343 498	199 204
	431 758	212 069

The accompanying notes are an integral part of the interim financial statements.

On behalf of the Board:

(s) René Lacroix
Director, Chairman of the Audit Committee

(s) Mario Spino
Director, Audit Committee member

Geomega Resources Inc.
(An exploration stage Company)
Statements of Operations and Comprehensive loss and Deficit
(Unaudited)

OPERATIONS AND COMPREHENSIVE LOSS

	Three months ended August 31, 2010	Three months ended August 31, 2009
	$	$
General and Administrative expenses		
Salaries and benefits	**19 687**	-
Professional fees	**25 606**	-
Transfer agent and filing fees	**850**	-
Business development and travel	**746**	-
Office expenses	**1 698**	365
Telecommunications	**245**	-
Field equipment	**794**	-
Depreciation	**204**	-
Bank charges	**126**	47
	49 956	412
Net loss and comprehensive loss	**(49 956)**	(412)
Net loss per share		
Basic and diluted	**(0,02)**	(0,00)
Weighted average number of common shares outstanding	**2 671 729**	2 500 001

DEFICIT

Deficit, beginning of year	**(130 798)**	(6 718)
Net loss	**(49 956)**	(412)
Deficit, end of year	**(180 754)**	(7 130)

The accompanying notes are an integral part of the interim financial statements.

Geomega Resources Inc.
(An exploration stage Company)
Statements of Cash Flows
(Unaudited)

	Three months ended August 31, 2010	Three months ended August 31, 2009
	$	$
OPERATING ACTIVITIES		
Net loss	**(49 956)**	(412)
Non-cash items:		
Depreciation	**204**	-
Changes in non-cash operating working capital items:		
Amounts receivable	**(60 100)**	-
Prepaid expenses	**(73 129)**	-
Accounts payable and accrued liabilities	**75 395**	-
	(107 586)	(412)
INVESTING ACTIVITIES		
Equipment acquisition	**(1 235)**	-
Mineral properties and deferred exploration expenses	**(83 253)**	-
	(84 488)	-
FINANCING ACTIVITIES		
Common share issuance	**124 250**	-
	124 250	-
Net decrease in cash	**(67 824)**	(412)
Cash, beginning of year	**89 854**	82 189
Cash, end of year	**22 030**	81 777
Non cash transactions:		
Issuance of 200 000 common shares for mineral properties	**70 000**	-

The accompanying notes are an integral part of the interim financial statements.

1. NATURE OF ACTIVITIES

Geomega Resources Inc. ("GeoMegA" or the "Company") was incorporated on June 5, 2008 under the Canada Business Corporations Act and its principal business activity is undertaking the acquisition, exploration and development of mineral properties, particularly lanthanides, niobium and tantalum properties. To date, the Company has not earned significant revenue and is considered to be in the development stage.

Although the Company has taken steps to verify title to mining 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 title may be subject to unregistered prior agreements and noncompliance with regulatory requirements.

2. NEW ACCOUNTING POLICIES

Equipment

Equipment is recorded at cost. Depreciation is provided on the declining balance basis using an annual rate of 30%.

Equipment is reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized when the carrying value exceeds the total undiscounted cash flows expected from their use and eventual disposition. The amount of the impairment loss is determined as the excess of the carrying value of the asset over its fair value.

3. ACCOUNTING POLICIES

Interim financial information

These unaudited interim financial statements have been prepared in accordance with Canadian generally accepted accounting principles and use the same accounting policies and methods used in the preparation of the Corporation's most recent annual financial statements (described in note 4). All disclosures required for annual financial statements have not been included in these financial statements. These unaudited interim financial statements should therefore be read in conjunction with the Corporation's most recent audited annual financial statements.

4. AMOUNTS RECEIVABLE

	As at August 31, 2010	As at May 31, 2010
	$	$
Commodity taxes	**20 907**	1 762
Tax credits on exploration expenses	**40 955**	-
	61 862	1 762

5. EQUIPEMENT

	Cost As at August 31, 2010	**Accumulated depreciation**	**Net book value As at August 31, 2010**	Net book value As at May 31, 2010
	$	**$**	**$**	$
Equipment	**1 235**	**204**	**1 031**	-

During the first quarter ended August 31, 2010, the Company purchased a portable computer for $1,235.

6. MINERAL PROPERTIES AND DEFERRED EXPLORATION EXPENSES

MINERAL PROPERTIES

	As at May 31 2010	Additions	Sale/ Write-off	As at August 31, 2010
	$	$	$	$
Montviel	51 872	**2 616**	-	**54 488**
Pump Lake	54 681	-	-	**54 681**
Sydney	10 400	-	-	**10 400**
Oriana	-	**85 960**	-	**85 960**
Émilie	-	**2 080**	-	**2 080**
	116 953	**90 656**	-	**207 609**

DEFERRED EXPLORATION EXPENSES

	As at May 31 2010	Additions	Tax credits	As at August 31, 2010
	$	$	$	$
Montviel	-	**81 262**	**(32 139)**	**49 123**
Pump Lake	-	**15 479**	**(6 122)**	**9 357**
Sydney	-	**6 811**	**(2 694)**	**4 117**
	-	**103 552**	**(40 955)**	**62 597**
TOTAL - August 31, 2010	116 953	**194 208**	**(40 955)**	**270 206**

Optioned properties

On April 30, 2010, GeoMegA signed a Letter Agreement with NioGold Mining Corp. (NOX, TSX-V) which gives GeoMegA an option to earn up to seventy five percent (75%) interest in the Montviel and Pump Lake properties by making a cash payment of $100,000, paid on April 30, 2010, and by issuing 1,500,000 shares of GeoMegA over a three-year period following the completion of an initial public offering (see "Subsequent Events" note 12), and incurring at least $3,350,000 in exploration expenditures over four years.

i) Montviel property description (Option, up to 75% interest)

Geographically, the property is located in Montviel township, approximately 215 km north of Val-d'Or, where services and manpower are available. The property is easily accessible via a network of logging roads, after a 60 km drive from highway 113, which connects Val d'Or and Chibougamau. The Montviel property comprises a total 104 cells for 5,776 ha.

During the first quarter ended August 31, 2010, the Company incurred $81,263 in exploration expenses less $32,139 in tax credits for a net expense of $49,124. Increase is mainly due to a drilling expense of $68,631. In addition the Company incurred $2,616 claims renewal and acquisition.

ii) Pump Lake property description (Option, up to 75% interest)

Geographically, the property is located approximately 110km north of Mont-Laurier, where services and manpower are available. The property is easily accessible by road from Ste-Anne-du-Lac. The Pump Lake property comprises a total 414 cells for 23,869 ha.

The property is subject to a 2% NSR, of which one percent (1%) can be bought back for $1,000,000.

During the first quarter ended August 31, 2010, the Company incurred $15,478 in exploration expenses less $6,122 in tax credits for a net expense of $9,356. Increase is mainly due to a 43-101 report expense of $11,129.

6. MINERAL PROPERTIES AND DEFERRED EXPLORATION EXPENSES (continued)

Other properties (100% interest)

iii) Sydney property description

Geographically, the property is located approximately 100 km North of St-Michel des Saints, where services and manpower are available. The property is easily accessible via gravel roads. The Sydney property comprises a total 200 cells for 11,108 ha.

During the first quarter ended August 31, 2010, the Company incurred $6,810 in exploration expenses less $2,693 in tax credits for a net expense of $4,117. Increase is mainly due to a 43-101 report expense of $6,369.

iv) Oriana property description

Geographically, the property is located approximately 20 km west of the town of Chapais in the Abitibi area, where services and manpower are available. The Oriana property comprises a total 270 cells for 14,996 ha.

On August 17, 2010, GeoMegA issued 200,000 common shares at a price of $0.35 per share, and also paid a cash amount of $15,960, in consideration for the acquisition of the 270 claims constituting the property.

v) Émilie property description

Geographically, the property is located approximately 30 km east of the town of Lebel-sur-Quevillon in the Abitibi region, where services and manpower are available. The Émilie property comprises a total 49 cells for 2,220 ha.

During the first quarter ended August 31, 2010, the Company paid $2,080 in claims acquisition.

7. SHARE CAPITAL

a. Authorized

Unlimited common shares without par value, voting, participating, dividend as declared by the Board of Directors.

Common shares issued and paid

	Shares	Share capital	Warrants
	#	$	$
Balance as at May 31, 2010	4 200 001	330 002	-
Share issuance - private placement	**355 000**	**124 250**	**-**
Share issuance - Mineral property	**200 000**	**70 000**	**-**
Issued warrants - attributed value		**(42 600)**	**42 600**
Balance as at August 31, 2010	**4 755 001**	**481 652**	**42 600**

7. SHARE CAPITAL (continued)

i) Share issuance

On July 2, 2010, GeoMegA issued 355,000 Units at $0.35 for net proceeds of $124,250. Each Unit contains one common share and one common share purchase warrants. Each purchase warrant entitles the holder to purchase one common share at a price of $0.55 for a period of eighteen (18) months.

On August 17, 2010, GeoMegA issued 200,000 common shares at a price of $0.35 per share, and also paid a cash amount of $15,960, in consideration for the acquisition of the 270 claims constituting the Oriana property.

b. Loss per share

The calculation of loss per share in the quarter ended August 31, 2010 is based upon the weighted average of shares outstanding of 2,671,729 (2,500,001 in same period of previous year). No options have been issued in the quarter ended August 31, 2010 and 2009.

c. Warrants

Variations in outstanding warrants for the quarter ended August 31, 2010 is as follows:

	Warrants	Weighted average exercise price ($)
Outstanding May 31, 2010	-	-
Issued	355 000	0.55
Outstanding August 31, 2010	**355 000**	**0.55**

See **Share issuance, note 5 a.i)** for details of warrants issued.

Warrants characteristics as at August 31, 2010 are the following:

Warrants	Exercise price ($)	Expiry date
355 000	0.55	January 2, 2012

The fair value of the warrants granted has been estimated at the date of grant using a Black-Scholes option pricing model with the following assumptions : estimated weighted average duration of 18 months, risk free interest rate of 1.4%, forecast volatility of 100% and no forecast dividend. The estimated fair value of the warrants is accounted for in warrants under share capital.

8. RELATED PARTY TRANSACTIONS

The Company conducts transactions with companies and entities controlled by its Officers and Directors. These transactions are in the normal course of operations and are measured at the exchange amount of consideration established and agreed to by the related parties. Related party transactions are as follows:

	Three months period ended	
Description	**August 31, 2010**	August 31, 2009
	$	$
Professional fees	**10 481**	0
	10 481	0

9. FINANCIAL RISK MANAGEMENT OBJECTIVES, POLICIES AND RISKS

a) Fair value of financial instruments
The book values of accounts payable and accrued liabilities approximate their fair values because of their short term nature.

b) Financial risks
The Company is exposed to various financial risks resulting from both its operations and its investments activities. The Company's management manages financial risks.

The Company does not enter into financial instrument agreements including derivative financial instruments for speculative purposes.

The Company's main financial risk exposure and its financial risk management policies are as follows:

i) Credit risk
The Company has no exposure to bad debts. The Company's cash is held at one financial institution.

ii) Liquidity risk
Management's objective is to maintain sufficient cash and cash equivalents to ensure that the Company has at its disposal sufficient sources of financing such as private and public financing. The Company manages its liquidity needs by carefully monitoring cash out flows due in day-to-day business. Liquidity needs are monitored in various time bands, including 30-day projection, 180-day and 360-day lookout periods. Due to the nature of the activities of the Company, the funding for long-term liquidity needs are dependant on the Company's ability to obtain additional financing, through various means, including equity financing. The amount and timing of additional funding will be impacted by, among others, the strength of the capital markets.

10. CAPITAL DISCLOSURES

The Company’s objective in managing capital is to safeguard its ability to continue its operations as well as its acquisition and exploration programs. The Company manages its capital structure and makes adjustment to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue new shares and acquire or sell mining properties to improve its financial performance and flexibility.

The Company’s capital consists of shareholders’ equity. To effectively manage the Company’s capital requirements, the Company has in place a planning and budgeting process to help determine the funds required to ensure the Company has appropriate liquidity to meet its operating and growth objectives. The Company is not subjected to any externally imposed capital requirements, unless the Company closes a flow-through private placement where the funds are restricted in use for exploration expenses. The Company does not have any unspent exploration funds as at August 31, 2010 ($nil as at May 31, 2010).

As at August 31, 2010, the capital stock totals $481,652 ($330,002 as at May 31, 2010). The Company has an accumulated deficit of $180,754 ($130,798 as at May 31, 2010). Shareholders’ equity totals $343,498 as at August 31, 2010 ($199,204 as at May 31, 2010).

11. SEGMENTED INFORMATION

The Company has determined that it only operates in one segment, being the acquisition and exploration of mineral properties with the aim of discovering commercially exploitable deposits of minerals. All of the long term assets are held in Canada.

12. SUBSEQUENT EVENTS

i) On September 10, 2010, GeoMegA repriced the cost 900,000 common shares issued on May 7, 2010 to officers at a price of 0.04$ per common share for an additional cash consideration of $36,000.

ii) On September 30, 2010, GeoMegA announced the closing of the first tranche of its initial public offering ("IPO") by prospectus for gross proceeds of $2,703,750. Industrial Alliance Securities inc. ("IAS") acted as agent in connection with the IPO, for which the prospectus was filed and receipted pursuant to the provisions of the Alberta, Ontario and Quebec Securities Acts. The common shares of GeoMegA will commence trading on TSX Venture Exchange under the symbol GMA at the opening on September 30, 2010.

At the closing of this first tranche of the IPO (the "Closing"), GeoMegA issued 7,725,000 units at a price of $0.35, each unit consisting of one (1) common share and one-half warrant. Each full warrant entitles the holder to purchase, during a period of eighteen (18) months from the date of the Closing, one (1) common share at an exercise price of $0.55 per share.

In consideration for its services, IAS received a cash commission of $169,722 and 386,250 options, each option entitling IAS to purchase one (1) common share at an exercise price of $0.35 per share, during a period of eighteen (18) months from the date of the Closing.

iii) On October 7, 2010, GeoMegA announced the closing of the final tranche of its IPO by prospectus for gross proceeds of $201,250. IAS acted as agent in connection with the IPO, for which the prospectus was filed and receipted pursuant to the provisions of the Alberta, Ontario and Quebec Securities Acts. The common shares of GeoMegA commenced trading on TSX Venture Exchange under the symbol GMA on September 30, 2010.

At the closing of this final tranche of the IPO, GeoMegA issued 575,000 units at a price of $0.35, each unit consisting of one (1) common share and one-half warrant. Each full warrant entitles the holder to purchase, during a period of eighteen (18) months from the date of the Closing, one (1) common share at an exercise price of $0.55 per share.

In consideration for its services, IAS received a cash commission of $17,106 and 28,750 options, each option entitling IAS to purchase one (1) common share at an exercise price of $0.35 per share, during a period of eighteen (18) months from the date of the Closing.

iv) In connection with the closing of the IPO, GeoMegA granted 1,400,000 options to Directors, Officers and consultants. Each option entitling the holder to purchase one (1) common share at an exercise price of $0.35 per share, during a period of five (5) years from the date of grant.

v) On September 30, 2010, as per the terms of the agreement with NioGold on the Montviel and Pump Lake option, following the completion of the IPO, GeoMegA issued 1,100,000 common shares to NioGold.