GEOMEGA RESOURCES INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS

THREE MONTHS ENDED AUGUST 31, 2014

GEOMEGA RESOURCES INC.
INTERIM MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE THREE MONTH ENDED AUGUST 31, 2014

The following Interim Management's Discussion and Analysis ("MD&A") of the financial condition and the results of operations of Geomega Resources Inc. (the "**Company**" or "**GéoMégA**") should be read in conjunction with the Company's unaudited condensed interim financial statements and related notes for the three months ended August 31, 2014 and with the Company's audited financial statements and accompanying notes for the year ended May 31, 2014. The financial statements for the three months ended August 31, 2014 have not been audited or reviewed by the Company's auditor and have been prepared by management in accordance with International Financial Reporting Standards ("IFRS") applicable to the preparation of interim financial statements, including IAS 34 – Interim Financial Reporting. This MD&A has been prepared in compliance with the requirements of National Instrument 51-102 – Continuous Disclosure Obligations. The information presented in this MD&A is dated October 24, 2014. All amounts presented are in Canadian dollars.

The Company's common shares are traded on the TSX Venture Exchange under the symbol **GMA** and 50,461,283 common shares were outstanding as of October 24, 2014. Additional information is available through www.sedar.com or www.ressourcesgeomega.ca

Our MD&A contains **forward-looking statements** not based on historical facts. Forward-looking statements express, as of the date of this report, our estimates, forecasts, projections, expectations and opinions as to future events or results. Forward-looking statements herein expressed are reasonable, but involve a number of risks and uncertainties, and there can be no guarantee that such statements will prove to be accurate. Therefore, actual results and future events could differ materially from those anticipated in such statements. Factors that could cause results or events to differ materially from current expectations expressed or implied by the forward-looking statements include, but are not limited to; economic conjuncture, fluctuations in the market price of precious metals, mining industry risks, uncertainty as to the calculation of mineral reserves and requirements of additional financing and the capacity of the Company to obtain financing.

GOING CONCERN

The Company is engaged in acquisition, exploration and evaluation of mining properties in Quebec and does not generate any operating revenue. The Company's financial success may come from either an economic viability of the Montviel project (rare earths production), development and utilization of the physical separation process (ore, recycling products and royalties) and from a gold deposit discovery (Anik property). Any funding shortfalls may be met in the future in a number of ways, including but not limited to, the issuance of new equity or debt financing. While management has been successful in securing financing in the past, there can be no guarantee that it will be able to do so in the future due to global economic uncertainty that has persisted over the last few years and made equity financing for exploration companies extremely difficult. There can be no guarantee that it will be able to do so in the future.

COMPANY PROFILE AND MISSION

GéoMégA is a mineral exploration and evaluation company focused on the discovery and sustainable development of economic deposits of various metals. GéoMégA is committed to meeting the Canadian mining industry standards and distinguishing itself with innovative engineering, stakeholders' engagement and dedication to local transformation benefits.

OVERALL PERFORMANCE

Corporate Update

- On August 22, 2014, the Company received the international search report ("ISR") and written opinion ("WO") from the Canadian Intellectual Property Office which states that the Company's separation process is deemed patentable,

- On August 29, September 4 and 30, 2014, the Company announces gold discoveries on its Anik property located 40 km south of Chapais, in Québec. Currently, gold showings define a mineralized corridor over more than 600 meters.

- On September 17, 2014, the Company held its annual meeting of shareholders ("Annual Meeting") in Montreal. Shareholders voted in favor of :
    - i. Re-elect the following directors: Simon Britt, Paul-Henri Couture, Gilles Gingras, Patrick Godin, Denis Hamel, Mario Spino and Réjean Talbot (the "directors");
    - ii. Re-appointment of PricewaterhouseCoopers, LLP, Chartered Accountants as auditors for the ongoing year and re-approval of the 10% rolling stock option plan;
    - iii. Approve the shareholders rights plan of the Company;

- Following the Annual Meeting, the directors had :
    - i. Renewed Mr. Patrick Godin as Chairman of the board of directors, Mr. Simon Britt as President and Chief Executive Officer, Mr. Alain Cayer as Vice President of Exploration and Mr. Sébastien Vézina as Corporate Secretary, and
    - ii. Granted to directors, officers and employees a total of 710,000 stock options at an exercise price of $0.26 under the terms of the Company's stock options plan.

SUMMARY OF ACTIVITIES

1. Rare earth project - Montviel (100% interest)

Montviel benefits from permanent access, public infrastructure and skilled labour in the immediate project area. The project is located approximately 100 km north of Lebel-sur-Quévillon and 45 km west of the Cree First Nation of Waswanipi in the urbanized southern part of Northern Québec. The property carries a 2% net output royalty to NioGold Mining Corporation (TSX: NOX.V).

Montviel is a 32 km^2 alkaline intrusive system hosting carbonatite intrusions with significant rare earth elements ("REE") and niobium mineralizations. The central part of the alkaline intrusive system ("Core Zone") is composed of a ferro-carbonatite where the highest values in REE are found. As of today, the Company has completed 95 drill holes for almost 39,000 meters and has defined the mineralized ferro-carbonatite over a length of 900 meters (NE-SW), a width of 650 meters (NW-SE) and a depth of 750 meters.

1.1. Updated NI 43-101 Compliant Resource Estimate

The initial NI 43-101 resource estimate was published in September 2011. With the Phase 2 and Phase 3 diamond drilling programs completed in April 2012 and December 2013 respectively, the Company has better defined and expanded the Montviel mineralized envelope. The updated NI 43-101 compliant resource estimate will account for the additional 26,000 meters of diamond drilling which defined the enrichment zone (within the Core zone) and heavy rare earth zone (south of the Core zone) and reflect an underground (ramp access) mining scenario.

The updated 43-101 resource estimation is waiting for the cut-off grade, which is determined from the operating costs of the ongoing Preliminary Economic Assessment ("PEA"). Once the conclusive results of the final metallurgical tests are obtained, the energy balance will be completed and ensuing operating costs estimated.

1.2. Preliminary Economic Assessment ("PEA")

The PEA will include the following assumptions:

- Mine design to use an underground approach via ramp access with paste backfill minimizing the environmental impacts;
- Initial annual production in the range of 2,000 tonnes of neodymium oxides;
- Project energy would be provided by the Hydro-Québec distribution grid;
- Mixed REE concentrate base case;
- Separation opportunity with the process in development.

During the last year, Montviel's flow sheet was greatly simplified. All of the acid required for hydrometallurgy was removed from the road with the insertion of a closed loop acid regeneration unit. In addition, two (2) physical adjustments at the beneficiation step significantly decreased the ore mass moving to hydrometallurgy.

1.3. Environmental geochemistry

The Company continues the geological and geochemical characterization of the Montviel alkaline intrusion. A total of 15 additional samples, representing 5 lithologies, were subject to static tests in order to characterize the geochemical behavior of waste rock from the property. These tests included three (3) lithological units which are subject to geochemical characterisation for the first time.

1.4. Physical Separation of rare earths (patent pending)

Based on the free flow electrophoresis technology, GéoMégA's proprietary REE physical separation process has the potential to reduce the capital required to build separation facilities compared to conventional techniques (i.e. fractional precipitation, ion exchange and solvent extraction), optimize REE recovery and improve the environmental performance of operations. The process uses no organic solvent which should have a very positive impact on the mitigation of environmental risks in addition to reducing operating costs.

Electrophoresis is the migration of charged species (ions, proteins, particles) in solution in the presence of an electrical field. Each ion moves toward the electrode of opposite electrical polarity. For a given set of solution conditions and electrical field intensity, the migration velocity depends on a characteristic number called the electrophoretic mobility. The electrophoretic mobility is directly proportional to the charge and the size ratio of the ion.

On August 22, 2014, the Company received the international search report ("ISR") and written opinion ("WO") from the Canadian Intellectual Property Office regarding the twenty-five (25) claims stated in the *system and method for separation and purification of dissolved rare earth/precious metals elements/compounds* (the "Separation process") patent application.

The ISR and WO concluded positively on the novelty, inventive activity and industrial application of the Separation process and twenty-three (23) claims are deemed patentable. The Company is moving forward with the National phase applications in multiple key jurisdictions. Reviews and acceptance by each respective jurisdiction could require up to one (1) year.

1.5. Summary quarter and outlook next 12 months

During the three months ended August 31, 2014, the Company continued the metallurgical tests to validate rare earths and niobium recoveries and to optimize the energy balance. These results will unlock all the remaining ongoing scopes of work. Also, the Company continued to optimize and develop its separation process at its Boucherville (Quebec) installations. The outlook for the next 12 months includes the achievement of the following steps:

- Updated NI 43-101 compliant resource estimate;
- Preliminary Economic Assessment;
- Patent approval (Canada + others);
- Separation tests on Montviel concentrate;
- Separation tests on recycled waste concentrate;
- Preliminary estimate of operating costs of the separation process;
- Prototype financing.

2. Gold property - Anik (100% interest)

The Anik property is located 40 km south of the town of Chapais, Québec and consists of 151 claims totalling 8,116 hectares. The Anik property is located in an area exhibiting strong potential for gold-bearing mineralization. The Joe Mann mine (4.75 Mt at 8.26 g/t Au), Phillibert (1.4 Mt at 5.3 g/t Au) and Lake Meston (1.2 Mt at 6.25 g/t Au) deposits and several gold showings (Nelligan, Monster Lake and Liam) are adjacent to the property. Geological setting and mineralization observed to date shows similarity to those other properties.

2.1. Exploration works

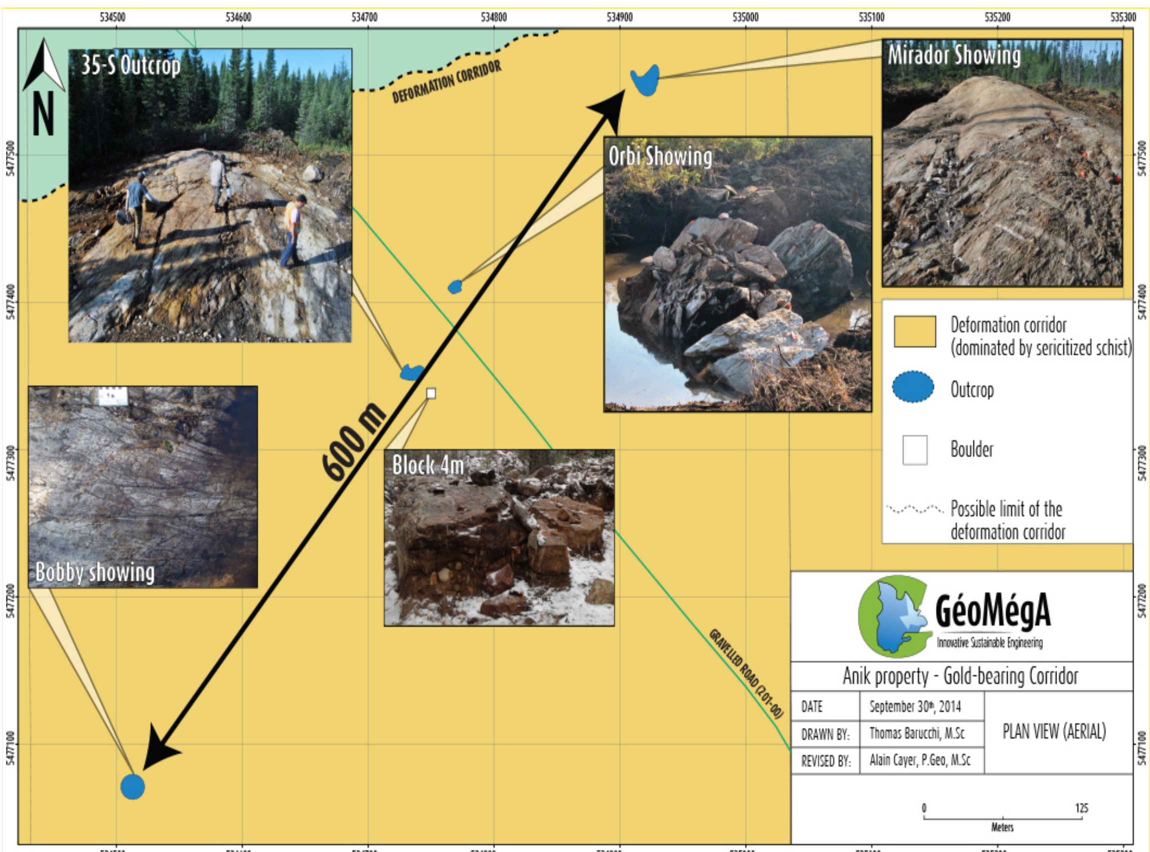
In spring 2014, exploration on the property began with the completion of a magnetic high definition heliborne survey, followed by a first geological reconnaissance campaign. Over 200 tills samples and 600 lithological samples were sent for analysis. The results of this first campaign led to the discovery of tree (3) gold showings and several anomalies.

The first gold showing (ORBI showing) from a 4 m^3 toppled block (subcrop) graded 10.30 g/t, 8.03 g/t and 7.86 g/t Au. In addition, six (6) mineralized blocs were mechanically extract from the bedrock and graded from 1.50 g/t to 3.30 g/t Au. The extensiveness of the sericite schist that surrounds the mineralized outcrop and the presence of other significant alteration assemblages in other outcrops in the vicinity, suggests the presence of a hydrothermal system favorable to gold mineralization.

A ground follow-up of this gold showing led to the discovery of a second mineralized outcrop (Mirador showing) located 220 meters to the north-east. The outcrop consists of altered mafic volcanics and is still located in the important Guercheville/Opawica deformation corridor. It displays 3 levels of silicified deformation on a multi centimeter scale with quartz veins and tourmaline. Three samples in the altered zone have returned grades of 3.16 g/t, 0.74 g/t and 0.71 g/t Au. A re-sampling of the first sample graded 11.35 g/t Au in the 15 cm quartz vein and 1.38 g/t Au in the host rock.

The lithologies, alterations and mineralization identified in the sector are extensive and demonstrate significant hydrothermal activity. Identified lithologies include mafic, intermediate and felsic volcanics and intrusives, and sedimentary units. Alterations observed are sericite, ankerite, quartz and silicification, fuchsite, talc, tourmaline and green and black chlorite. The mineralization consists of traces to 10% fine disseminated pyrite or locally in veinlets and traces of pyrrhotite and chalcopyrite. Generally, mineralization is associated with silicification and ankeritization within sericite schist.

In the beginning of September, a new field program was conducted with the objective to follow the extensions of the mineralized showings and of the mineralized corridor using mechanical stripping. This led to the discovery of a new gold showing (Bobby showing) located more than 350 meters from the ORBI showing, confirming the gold mineralization potential of the corridor to over 600 meters. This new showing includes a quartz stockwork with pyrite and traces of molybdenite found within a sedimentary unit with traces of pyrite and arsenopyrite. Two samples located five (5) meters apart on the outcrop returned grades of 1.60 g/t and 0.73 g/t Au. Channel sampling have returned respectively 1.13 g/t Au over 1.0 meter and 0.51 g/t Au over 1.0 meter for the two (2) samples.



The following table summarizes the main gold grades from the three (3) showings.

Gold Showings	Type	Sample #	Lithology	Au (g/t)
ORBI	Toppled Block	R127355	Schist Si+Sr	10.30
		R127356	Qz.Vn / Schist Si+Sr	7.86
	Channel (0.9 m)	R127969	Qz.Vn / Schist Si+Sr	3.17
	Mechanically extracted Block	R127716	Schist Si+Sr	7.72
		R127704	Qz.Vn	3.30
		R127713	Qz.Vn	3.20
		R127710	Qz.Vn	2.75
		R127709	Qz.Vn	1.50
		R127703	Qz.Vn	1.28
		R127712	Qz.Vn / Schist Si+Sr	1.12
	Erratic Block	R127690	Schist Si+Sr	2.84
		R127681	Qz.Vn / Schist Si+Sr	2.63
		R127708	Qz.Vn	1.15
		R127818	Qz.Vn / Schist CL+	2.61
		R127815	Qz.Vn	1.02
MIRADOR	Selected samples	R127959	Schist Si+Sr / Qz.Vn	3.16
		R127835	Qz.Vn	11.35
		R127834	Schist Si+	1.38
		R127963	Schist Si+Sr	0.71
		R127958	Qz.Vn	0.74
BOBBY	Selected samples	R127845	Qz.Vn Sediments	1.60
		R127748	Qz.Vn Sediments	0.73
	Channel (1.0 m)	P127978	Qz.Vn Sediments / Schist	1.13
	Channel (1.0 m)	P127982	Qz.Vn Sediments / Schist	0.51

In addition, the Company completed a soil geochemical survey and two (2) geophysical surveys (induced polarization and ground magnetics) to continue investigating the extensions of already identified gold showings. Mapping and geological reconnaissance were intensified in the north-east portion of the property. To date, approximately 250 additional lithological samples and 450 soil samples were sent for analysis and about 20 km of geophysical and soil geochemical surveys have been completed. All results are expected by the end of October which will then be used to establish priority targets for the drilling campaign, expected in November, if funds are available.

2.2. Mining claims acquisitions

On August 26, 2014, the Company signed a purchase and sale agreement to acquire one (1) mining claim located in the North-East of Anik property for $2,000 in cash and 30,000 common shares of the Company. The Company's common shares were issued on September 8, 2014 for a value of $9,750.

On September 22, 2014, the Company signed a purchase and sale agreement to acquire six (6) mining claim located in the surrounding area of Anik property for $2,000 in cash and 30,000 common shares of the Company. The Company's common shares were issued on October 9, 2014 for a value of $5,400.

2.3. Summary quarter and outlook next 12 months

During the three months ended August 31, 2014, the Company has made a gold discovery on its Anik property. The outlook for the next 12 months includes the achievement of the following steps:

- Gold-bearing corridor extension;
- Mining claims acquisitions;
- Phase 1 drilling campaign financing.

EXPLORATION AND EVALUATION RESULTS

Rare earths project - Montviel (100% interest)

During the three months ended August 31, 2014, the Company incurred $469,400 (before tax credits net of $22,775) in exploration and evaluation ("E&E") expenditures capitalized in relation to the Montviel property ($534,654 and $NIL respectively in 2013).

Montviel- Exploration	Three Months Ended August 31, 2014 $	2013 $	Cumulative to date $
Assays and drilling	**6,230**	390	4,573,766
Geology	**87,654**	195,288	2,819,433
Mineralogy and Metallurgy	**-**	-	717,734
Transport and lodging	**33,819**	9,972	890,748
Geophysics and Geochemistry	**-**	-	172,064
Depreciation of property and equipment	**33,702**	48,690	552,795
Taxes, permits and insurances	**895**	9,476	79,584
Total Exploration	**162,300**	263,816	9,806,124

Montviel - Evaluation	Three Months Ended August 31, 2014 $	2013 $	Cumulative to date $
Market study	**14,337**	6,579	127,295
Mine design	**36,673**	7,602	393,250
Hydrogeology, Geochemistry, geotechnical and geomechanical	**63,749**	69,956	537,136
Environmental baseline	**11,800**	23,049	254,541
Infrastructure	**16,170**	1,196	104,134
Tailings pond	**-**	14,576	121,619
Metallurgy and processing	**127,878**	78,726	790,375
Separation process	**16,318**	64,843	536,882
Other	**20,175**	4,311	23,299
Total Evaluation	**307,100**	270,838	2,888,531
Total Exploration and Evaluation expenditures capitalized	**469,400**	534,654	12,694,655

The exploration and evaluation activities performed during the three months ended August 31, 2014 have allowed the Company to continue gathering valuable information for the Montviel PEA, the environmental and social impact assessment study and the metallurgical optimization of the flow sheet process.

Gold property - Anik (100% interest)

For the three months ended August 31, 2014, exploration and evaluation expenses related to the Anik property amounted to $244,280 ($16,911 in 2013).

Anik - Exploration	Three Months Ended August 31, 2014 $	2013 $	Cumulative to date $
Salary, Geology and prospection	**134,770**	13,296	221,434
Lodging and Travel expenses	**43,875**	527	70,302
Geophysics	**-**	-	129,491
Analysis	**40,229**	1,797	68,293
Supplies and Equipment	**25,031**	844	45,108
Taxes, permits and insurance	**915**	447	1,604
Anik – Exploration	**244,820**	16,911	536,268

The exploration activities performed during the three months ended August 31, 2014 were mainly incurred for geological surveys, analysis, prospecting and sampling in order to continue the property exploration.

Other properties

For the three months ended August 31, 2014, exploration and evaluation expenses for the Company's other properties amounted to $6,665 ($14,137 in 2013). The expenses were mainly incurred for geological surveys, analysis, prospecting and sampling.

Geological information presented herein was prepared and summarized by Alain Cayer, Geo, Msc, VP Exploration and, qualified person pursuant to National Instrument 43-101.

RESULTS OF OPERATIONS

For the three months ended August 31, 2014, the Company incurred a loss of $565,516 (2013 - $201,272). The increase of $364,244 is mainly related to the following factors:

- Increase in exploration and evaluation expenses of $220,437 (2014 - $251,485 vs 2013 - $31,048) related to the exploration work performed on Anik property;
- Increase in salaries, employee benefits and share-based compensation of $30,564 (2014 – 151,820 vs 2013 - $121,256) mainly related to the non-cash share-based compensation expense recorded in 2014 of $13,870 compared to a recovery of $57,393 in 2013;
- Increase in travel, conference and investor relations of $40,527 (2014 - $44,206 vs 2013 - $3,679) related to the corporate activities with investors ;
- Decrease in finance costs of $65,422 (2014 - $13,379 vs 2013 - $78,801) mainly related to the SIDEX debt repaid in July 2013;
- Decrease of recovery of deferred income taxes of $77,952 (2014- $28,930 vs 2013 - $106,882) related to the amortization of the flow-through share liability of the Company.

SUMMARY OF QUARTERLY RESULTS

	2015	2014				2013		
(in thousands of dollars, except for per share amounts)	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
Revenues	5	1	6	10	1	1	-	-
Loss and comprehensive loss	566	567	276	186	201	370	352	861
Loss per share – basic and diluted	0.01	0.005	0.005	0.01	0.01	0.01	0.01	0.03

The main variations in the quarterly results from the comparable period are explained as follows:

2015-Q1	Increase in exploration and evaluation expenses of $220,437 related to the exploration work performed on Anik property;
2014-Q4	Increase of exploration and evaluation expenses of $55,496, lower impairment of exploration and evaluation assets of $123,895 and decrease of the amortization of flow-through share liability of $109,397;
2014-Q3	Decrease of $121,347 in salaries, employee benefits and share-based compensation and increase of $144,983 of flow-through share related income;
2014-Q2	Decrease of $204,426 in salaries, employee benefits and share-based compensation, lower professional fees of $178,125 and reduction of exploration and evaluation expenses of $100,204;
2014-Q1	Reduction of exploration and evaluation expenses of $98,707 and a decrease of $201,848 in salaries, employee benefits and share-based compensation;
2013-Q4	Impairment of mining properties of $267,836 offset by a flow-through share related income of $181,155 and a recovery of deferred income tax of $ 40,608;
2013-Q3	Increase in salaries, employee benefits and shared-based compensation of $212,703 and income related the reduction of the flow-through share liability of $184,705;
2013-Q2	Reduction in exploration and evaluation expenses of $153,840 compared to Q2-2012.

LIQUIDITY AND CAPITAL RESOURCES

As at August 31, 2014, the Company had cash and cash equivalents of $1,740,963, current tax credits receivable of $376,899 and non-current tax credits receivable of $92,092 (May 31, 2014, $2,399,775, $433,674 and $92,092 respectively). The Company had a working capital of $1,593,511 ($2,322,137 as of May 31, 2014) on which $30,134 is reserved for the flow-through expenses to be incurred before December 31, 2015.

Management considers the working capital insufficient to meet the Company's obligations and budgeted expenditures through August 31, 2015. Consequently, management must secure additional funding to ensure timely exploration and evaluation of its properties (Montviel and Anik) and pay for general and administrative costs. Global economic uncertainty remains and contributes to the volatility in the capital markets, which makes equity financings for exploration companies very difficult. Any funding shortfalls may be met in the future in a number of ways including but not limited to, the issuance of new equity or debt financing. While management has been successful in securing financing in the past, there can be no guarantees that it will be able to do so in the future, or that any source of funding or initiatives will be available on reasonable terms to the Company. Note 1 of the condensed interim financial statements for the three month ended August 31, 2014 reflects this uncertainty.

Tax credits receivable

The tax credits received by the Company for the years 2011, 2012 and 2013 were audited by Revenu Québec. Trade and other payables include $149,553 for tax credits to be paid following this audit.

On September 16, 2014, the Company received a reimbursement of $299,899 for its credit on duties refundable for losses for the year ended May 31, 2012.

Warrants

During the three months ended August 31, 2014, 1,000,000 warrants were exercised for gross proceeds of $250,000.

On September 30, 2014, 1,952,273 warrants expired unexercised.

Stocks options

During the three months ended August 31, 2014, 37,500 stock options expired unexercised.

On September 17, 2014, the Company granted 710,000 stock options to directors, employees and officers at an exercise price of $0.26 under the terms of the Company's stock options plan.

Broker options

During the three months ended August 31, 2014, 37,800 broker options exercisable at price of $0.50 expired unexercised.

ADDITIONAL INFORMATION

Outstanding Shareholders' Equity Data:

As of October 24, 2014, the following are outstanding:

	As of August 31, 2014	Issuance	Expiration	As of October 24, 2014
• Common Shares	50,401,283	60,000	-	50,461,283
• Stock options	2,745,000	710,000	-	3,455,000
• Warrants	6,767,389	-	(1,952,273)	4,815,116
• Broker options	264,167	-	-	264,167

RISK AND UNCERTAINTIES

An investment in the securities of the Company is highly speculative and involves numerous and significant risks. Such investment should be undertaken only by investors whose financial resources are sufficient to enable them to assume these risks and who have no need for immediate liquidity in their investment. Prospective investors should carefully consider the risk factors that have affected, and which in the future are reasonably expected to affect, the Company and its financial position. Please refer to the section entitled " Risk and Uncertainties" in the Company's management's discussion and analysis for the fiscal year ended May 31, 2014 available on SEDAR at www.sedar.com.

CRITICAL ACCOUNTING POLICIES, ESTIMATES, JUDEMENTS AND ASSUMPTIONS

The preparation of financial statements in conformity with IFRS requires Management to make estimates and assumptions that affect amounts reported in the financial statements and accompanying notes. There is a full disclosure and description of the Company's critical accounting policies, estimates, judgments, assumptions in the financial statements as at May 31, 2014, Notes 1, 2, 3 and 4, available at www.sedar.com.

INTERNATIONAL FINANCIAL REPORTING STANDARDS

The accounting policies applied by the Corporation in the unaudited condensed interim financial statements for the three months ended August 31, 2014, are consistent with those applied by the Company in the audited financial statements for the year ended May 31, 2014, except for the change in accounting policies outlined in Note 2 to the August 31, 2014, unaudited condensed interim financial statements.

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL INFORMATION

The Company's financial statements are the responsibility of the Company's management. The financial statements were prepared by the Company's management in accordance with IFRS. The financial statements include certain amounts based on the use of estimates, judgements and assumptions. Management has established these amounts in a reasonable manner, in order to ensure that the financial statements are presented fairly in all material respects. The condensed interim financial statements have been approved by the board of directors based on the estimates, judgements and assumptions as presented by management and the certifications by the CEO and CFO.