Synergy Acquisition Corp.
(formerly Neo Alliance Minerals Inc.)
Annual Financial Statements
December 31, 2010

Contents

Independent Auditors' Report

Grant Thornton LLP
1401 Scotia Place 2
10060 Jasper Avenue NW
Edmonton, AB
T5J 3R8

T (780) 422-7114
F (780) 426-3208
www.GrantThornton.ca

To the Shareholders of
Synergy Acquisition Corp. (formerly Neo Alliance Minerals Inc.)

We have audited the accompanying financial statements of Synergy Acquisition Corp. (formerly Neo Alliance Minerals Inc.), which comprise the balance sheet as at December 31, 2010 and the statements of loss, comprehensive loss and deficit and the statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Synergy Acquisition Corp. (formerly Neo Alliance Minerals Inc.) as at December 31, 2010 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Emphasis of matter

Without qualifying our opinion, we draw attention to Note 2 in the financial statements which indicates that for the year ended December 31, 2010, the Corporation has incurred a net loss of $39,930, has negative cash flow from operations of $16,232, and as at December 31, 2010 had negative working capital of $15,020 and an accumulated deficit of $5,411,064. These conditions, along with other matters as set forth in Note 2, indicate the existence of a material uncertainty that may cast significant doubt about the Corporation's ability to continue as a going concern.

Other matter

The restated financial statements of Synergy Acquisition Corp. (formerly Neo Alliance Minerals Inc.) for the year ended December 31, 2009, were audited by another auditor who expressed an unmodified opinion on those statements on February 24, 2010, except as to Notes 3 and 21 of those statements which were as of October 15, 2010.

Edmonton, Canada

Grant Thornton LLP

April 20, 2011

Chartered Accountants

Synergy Acquisition Corp.
(formerly Neo Alliance Minerals Inc.)
Statements of Loss, Comprehensive Loss and Deficit

Year Ended December 31	**2010**	2009
Expenses		
Corporate administration	$ **28,665**	$ 14,758
Professional fees (Note 5(e))	**11,265**	10,225
	39,930	24,983
Net loss and comprehensive loss	$ **(39,930)**	$ (24,983)
Deficit, beginning of year	$ **(5,371,134)**	$ (5,346,151)
Net loss	**(39,930)**	(24,983)
Deficit, end of year	$ **(5,411,064)**	$ (5,371,134)
Basic and diluted weighted average number of common shares outstanding	**32,178,500**	33,691,000
Basic and diluted loss per share	$ **(0.001)**	$ (0.001)

See accompanying notes to the financial statements.

Synergy Acquisition Corp.
(formerly Neo Alliance Minerals Inc.)
Balance Sheet

As at December 31	2010	2009
Assets		
Current		
Cash	**$ 7,589**	$ 13,821
GST receivable	**1,725**	33,122
Due from related parties (Note 5)	**-**	492,792
	9,314	539,735
Investment in subsidiaries (Note 6)	**-**	1
	$ 9,314	$ 539,736
Liabilities		
Current		
Accounts payable and accrued liabilities (Note 5(f))	**$ 14,334**	$ 22,033
Due to related parties (Note 5)	**10,000**	492,792
	24,334	514,825
Shareholders' Equity (Deficiency)		
Share capital (Note 7)	**1,902,719**	4,126,094
Contributed surplus (Note 8)	**3,493,325**	1,269,951
Deficit	**(5,411,064)**	(5,371,134)
	(15,020)	24,911
	$ 9,314	$ 539,736

Going concern (Note 2)
Related party transactions (Note 5)
Subsequent events (Note 13)

Approved by the Board

"Don Caron" Director

"Jason Theiss" Director

See accompanying notes to the financial statements.

Synergy Acquisition Corp.
(formerly Neo Alliance Minerals Inc.)
Statement of Cash Flows

Year ended December 31	2010	2009
Cash provided by (used in)		
Operating		
Net loss	**$ (39,930)**	$ (24,983)
Change in non-cash operating working capital:		
GST receivable	**31,397**	(1,166)
Accounts payable and accrued liabilities	**(7,699)**	6,131
	(16,232)	(20,018)
Financing		
Advances from related party (Note 5)	**10,000**	-
	10,000	-
Decrease in cash	**(6,232)**	(20,018)
Cash		
Beginning of year	**13,821**	33,839
End of year	**$ 7,589**	$ 13,821

Supplementary cash flow information:

Non-cash transactions:

	2010	2009
Related party payable forgiveness (Note 8)	**$ -**	$ 26,500

During the year ended December 31, 2010, a related party payable for $492,792 was repaid with the related party receivable of $492,792 (Note 5).

See accompanying notes to the financial statements.

1. Nature of operations

Synergy Acquisition Corp. (the “Corporation” or “SAQ”) (formerly Neo Alliance Minerals Inc.) was incorporated under the Business Corporations Act (Alberta) on June 24, 2003. On February 28, 2006, Neo Alliance Holdings Limited (“NAHL”) and the Corporation filed an information circular relating to a Qualifying Transaction wherein the Corporation would purchase all of the outstanding shares of NAHL, and issue 20,000,000 common shares of the Corporation to the shareholder of NAHL. The sole shareholder of NAHL was Neo Alliance Strategic Holdings Limited (“NASH”) prior to the Qualifying Transaction. The shareholders of the Corporation approved the transaction at a special shareholders meeting held on March 29, 2006.

Effective December 29, 2008, the shareholders approved a reorganization of the Corporation as outlined in Note 4. All regulatory approvals for the reorganization were received on December 1, 2010 (Note 11).

The Corporation changed its name from Neo Alliance Minerals Inc. to Synergy Acquisition Corp. effective December 16, 2010.

Currently, the Corporation is a public company listed on the NEX board of the TSX Venture Exchange, trading under the symbol SAQ (Note 11). Although it does not currently have an ongoing business, it is actively seeking opportunities.

2. Going concern

These financial statements have been prepared assuming the Corporation will continue as a going concern. The going concern basis of presentation assumes the Corporation will continue in operation for the foreseeable future and be able to realize its assets and discharge its liabilities and commitments in the normal course of business. During the year ended December 31, 2010, the Corporation incurred a loss of $39,930 and had negative cash flow from operations of $16,232. In addition, the Corporation had an accumulated deficit of $5,411,064 as at December 31, 2010.

The above factors raise significant doubt about the Corporation’s ability to continue as a going concern. Although the Corporation does not require significant funds to continue operations, management has taken actions to address these issues including recently lending the Corporation funds to meet ongoing regulatory filings. The Corporation’s ability to continue as a going concern is dependent upon its ability to acquire profitable operations and obtain additional financing to fund the acquisition of profitable operations.

The financial statements do not reflect adjustments that would be necessary if the going concern assumption were not appropriate. If the going concern basis was not appropriate for these financial statements, then adjustments would be necessary in the carrying value of assets and liabilities, the reported expenses, and the balance sheet classifications used. These adjustments could be material.

3. Summary of significant accounting policies

Basis of presentation

The financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles ("GAAP").

Use of estimates

In preparing financial statements in conformity with GAAP, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Significant estimates included in these financial statements include the valuation of future income tax assets and amounts recorded as accrued liabilities. Actual results could differ from those estimates.

Income taxes

The Corporation uses the liability method to account for income taxes. Under this method, future tax assets and liabilities are recognized for the future income tax consequences attributable to temporary differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and for tax losses and other deductions carried forward. Future tax assets and liabilities are measured based on substantively enacted tax rates at the date of the financial statements for the years in which these temporary differences are expected to reverse.

Future income tax assets are recognized to the extent that it is more likely than not that some portion or all of the future income tax assets will be realized. The ultimate realization of future income tax assets depends upon the generation of future taxable income during the periods in which those temporary differences become deductible and tax losses are utilized.

Loss per share

Basic loss per share is computed by dividing net loss by the weighted average number of common shares outstanding during the reporting period. Diluted loss per share is computed using the treasury stock method where the weighted average number of common shares outstanding is increased to include additional common shares from the exercise of outstanding stock options, if dilutive. The treasury stock method assumes that the proceeds to be received on the exercise of outstanding stock options are applied to repurchase common shares of the Corporation at the average market price in the year.

Stock-based compensation

The Corporation has a stock-based compensation plan, which is described in Note 7. The Corporation uses the fair value method of accounting for stock options. The fair value of an option grant is calculated using the Black-Scholes Option Pricing Model and recognized as compensation expense over the vesting period of those grants. A corresponding adjustment is recorded in contributed surplus. On the exercise of stock options, the proceeds received by the Corporation, together with the related amounts in contributed surplus are credited to share capital. The effect of forfeitures and cancellations are recognized as they occur.

3. Summary of significant accounting policies (cont'd)

Financial instruments

The Corporation classifies all financial assets as held to maturity, loans and receivables, held for trading or available for sale and all financial liabilities as held for trading and other financial liabilities. All financial assets and financial liabilities are initially recognized at fair value. Financial instruments classified as held for trading are measured at fair value with changes in fair value recognized in net loss. Financial assets classified as held to maturity, loans and receivables and financial liabilities not classified as held for trading are subsequently measured at amortized cost using the effective interest rate method. Available-for-sale financial assets are measured at fair value with changes in fair value recognized in other comprehensive income. All derivative financial instruments are measured at fair value with changes in fair value recognized in net loss unless the derivative is part of a hedging relationship that qualifies as a fair value hedge, cash flow hedge or hedge of a net investment in a self-sustaining foreign operation.

The Corporation has made the following classifications:

Cash is classified as held for trading.

Accounts payable and accrued liabilities are classified as other financial liabilities.

4. Disposition of subsidiary companies

Effective December 29, 2008, the shareholders of the Corporation approved a reorganization agreement (the "Transaction") with NASH, a related party, providing for the sale by the Corporation of its subsidiaries. The sale was satisfied by the cancellation of 18,150,000 common shares of the Corporation owned by NASH along with all current and future obligations, including property and other obligations and any liabilities of whatsoever type.

Despite pending approvals as at December 31, 2008, management determined that the Corporation had lost control and significant influence over its subsidiaries immediately following the Transaction, and therefore had utilized the cost method to account for its subsidiaries.

On July 23, 2009, the Corporation received conditional approval for the Transaction from the TSX Venture Exchange (Note 11) pending a full or partial revocation of the cease trade order from certain Canadian securities commissions, which was received on December 1, 2010.

5. Due from (to) related parties and related party transactions

Due from related parties

	2010	2009
Due from NAHL (a)	$ -	$ 100,115
Due from Neo and Thompson Capital Ltd., a company related through common shareholders (a)	-	392,677
	$ -	$ 492,792

Due to related parties

	2010	2009
Due to NASH, a company controlled by the directors of NAHL (b)	$ -	$ (99,992)
Due to shareholder of Minen Investments Inc. (c)	-	(392,800)
Due to BRC Advisors Inc. (d)	(10,000)	-
	$ (10,000)	$ (492,792)

The related party transactions are conducted on the terms and conditions agreed to by the related parties and are recorded at their exchange amounts.

(a) The $492,792 “Due from related parties” represents intercompany loans from the Corporation to two related parties. These loans were repaid with the related party payable of $492,792 following the receipt of the December 1, 2010 revocation order.

(b) This loan was made by NASH directly to the Corporation who, in turn, invested the funds in related parties. This obligation formed part of the Transaction described in Note 4; therefore once the December 1, 2010 revocation order was received, this loan was repaid along with the $392,800 related party payable with the related party receivable of $492,792.

(c) The Corporation had entered into an agreement to purchase for US $700,000 the shares of a subsidiary, Minen Investments Inc. The December 31, 2009 amount outstanding represented the remaining amount outstanding from the original purchase price. This obligation formed part of the Transaction described in Note 4; therefore once the December 1, 2010 revocation order was received, this loan was repaid along with the $99,992 related party payable with the related party receivable of $492,792.

5. Due from (to) related parties and related party transactions (cont'd)

(d) During the year ended December 31, 2010, the Corporation received an advance in the amount of $10,000 (2009 – $nil) from a company over which a director has significant influence.

(e) For the year ended December 31, 2010, the Corporation received legal services of $1,065 (2009 – $225) from a company over which a director has significant influence.

(f) Included in accounts payable and accrued liabilities is $2,600 (2009 – $nil) payable to a company over which a director has significant influence.

6. Investment in subsidiaries

	2010	2009
Balance, beginning of year	**$ 1**	$ 1
Sale of investment following approval of the Transaction (Note 4)	**(1)**	-
Balance, end of year	**$ -**	$ 1

7. Share capital

Authorized:
Unlimited number of common shares
Unlimited number of preferred shares, issuable in series

Issued and outstanding common shares:	Number	Amount
Balance, December 31, 2008 and 2009	33,691,000	**$ 4,126,094**
Cancelled common shares, in accordance with the Transaction (i)	(18,150,000)	**(2,223,375)**
Balance, December 31, 2010	15,541,000	**$ 1,902,719**

(i) As part of the Transaction (Note 4), the Corporation acquired and cancelled 18,150,000 common shares of the Corporation. As the cost to acquire such shares was below their average cost, the cost was allocated to share capital in an amount equal to the average cost of the shares and the remainder to contributed surplus (Note 8). The amount allocated to the share capital account was based on the historical average cost per share of $0.12 as at December 1, 2010, the date the revocation order was received. The cost to acquire the shares was $1, the value of the subsidiaries sold (Note 6).

7. Share capital (cont'd)

a) Stock options to employees and directors

The Corporation has established a stock option plan for its directors, executive officers, employees, and other key personnel. The Board of Directors may designate which directors, officers, employees and other key personnel of the Corporation are to be granted stock options. The expiry date, vesting terms and exercise price of any stock option granted are determined by the Board of Directors at the time of the grant, subject to regulatory requirements. An option granted under the stock option plan may vest at such times as the Board of Directors of the Corporation may determine at the time of granting, subject to the rules of any stock exchange or other regulatory body having jurisdiction. Stock options are not assignable. Provision is made for accelerated vesting in certain circumstances and early termination in the event of death or cessation of employment. The exercise price of each stock option is set to be not lower than the lowest exercise price permitted by any exchange and with a maximum term of not longer than five years from the date of grant.

To date, stock options vested with one third becoming exercisable after 6 months of the grant, one third after 12 months, and one third after 18 months. The options became fully exercisable after 18 months. No stock options were granted during the years ended December 31, 2010 and 2009.

A summary of the status of the Corporation's stock option plan for the periods presented and changes during the periods ended on those dates follows:

	Number of stock options	Weighted average exercise price
		$
Outstanding and exercisable, December 31, 2008	1,900,000	0.20
Expired	(1,200,000)	0.20
Outstanding and exercisable, December 31, 2009	700,000	0.20
Forfeited, March 15, 2010	(700,000)	0.20
Outstanding and exercisable, December 31, 2010	nil	nil

8. Contributed surplus

	2010	2009
Balance, beginning of year	**$ 1,269,951**	$ 1,243,451
Related party transaction (a)	**-**	26,500
Cancelled common shares, in accordance with the Transaction (Note 4 and Note 7(i))	**2,223,374**	-
Balance, end of year	**$ 3,493,325**	$ 1,269,951

(a) The shareholders of NASH paid for professional fees for services incurred by the Corporation.

9. Income taxes

Income tax expense differs from the amount computed by applying the effective combined federal and Alberta provincial income tax rates to the respective periods' earnings before income taxes. These differences result from the following items:

	2010	2009
Expected income tax recovery - 28% (2009 – 29%)	**$ (11,180)**	$ (7,245)
Increase (decrease) resulting from:		
Tax rate differential	**29,830**	-
Change in valuation allowance	**(18,650)**	7,245
Income tax expense	**$ -**	$ -

9. Income taxes (cont'd)

The tax effects that give rise to the Corporation's future income tax assets are as follows:

	2010	2009
Future income tax assets:		
Non-capital losses carried forward	$ **469,479**	$ 474,666
Capital losses carried forward	**376,942**	390,404
	846,421	865,070
Less: valuation allowance	**(846,421)**	(865,070)
Net future tax asset	$ **-**	$ -

The Corporation has unused non-capital losses available for carry forward in Canada of $1,676,712 (2009 – $1,636,781). The benefit of these losses has not been recognized in these financial statements. These losses are available to reduce taxable income in Canada in future periods and may be carried forward for twenty years for non-capital losses. Capital losses can be carried forward indefinitely. Non-capital losses expire as follows:

Year of loss	Non-capital loss	Expiry
2005	$ 91,346	2025
2006	919,509	2026
2007	567,970	2027
2008	32,972	2028
2009	24,984	2029
2010	39,931	2030
	$ 1,676,712	

10. Financial instruments

a) Fair values

The Corporation's financial instruments include cash and accounts payable and accrued liabilities. The fair values of these financial instruments approximate their carrying values due to their short-term maturity.

b) Liquidity risk

The Corporation's exposure to liquidity risk is dependent on the ability to raise funds to meet purchase requirements and to sustain operations. The Corporation controls its liquidity risk by managing working capital and cash flows.

11. Cease trade order and trading reinstatement

On May 7, 2007, the Corporation received a cease trade order issued by the Alberta Securities Commission ("ASC") and on May 9, 2007, the Corporation received a cease trade order issued by the British Columbia Securities Commission ("BCSC") for failure to file its audited financial statements and Management's Discussion and Analysis for the year ended December 31, 2006 on a timely basis. The Corporation subsequently filed the December 31, 2006 financial statements and management's discussion and analysis ("MD&A") on September 5, 2007. On September 28, 2009, the ASC issued a variation of cease trade order for the sole purpose of allowing the Corporation to enter into an agreement to effect the Transaction (Note 4). On February 24, 2010, the Corporation applied to the ASC and BCSC for the full revocation order. Effective December 1, 2010, both cease trade orders were revoked and on December 20, 2010, the Corporation was reinstated and resumed trading on the NEX board of the TSX Venture Exchange.

12. Capital management

The Corporation manages its capital to safeguard the Corporation's ability to continue as a going concern and to preserve financial flexibility in order to fund growth and expansionary opportunities that may arise. The Corporation defines capital as its shareholders' deficiency. As at December 31, 2010, shareholders' deficiency was $15,020 (December 31, 2009 – shareholder's equity of $24,911). The Corporation is not subjected to capital requirements imposed by a regulator. Other than the related party advance, the Corporation does not have debt and is not subject to any debt covenant provisions or externally imposed capital requirements. Prudent cash management is augmented by ongoing analysis conducted by management. There has been no change to the management of capital in the year.

13. Subsequent events

At the February 8, 2011 Annual and Special Meeting of Shareholders, the shareholders approved the following:

(i) a special resolution approving the future consolidation of the outstanding common shares on the basis of one new common share ("Post Consolidation Share") for each six common shares presently issued and outstanding;

(ii) an ordinary resolution approving a private placement (the "Private Placement") of up to 4,000,000 Post Consolidation Shares at a price of $0.05 per Post Consolidation Share or such other price as the Board of Directors and management of the Corporation may determine and the regulatory bodies having jurisdiction may accept. The Private Placement transaction will be made with a company controlled by related parties. This will result in a new "control person" as such term is defined by TSX Venture Exchange policies and accordingly, in connection with the rules of NEX and the TSX Venture Exchange, requires shareholder approval of the creation of a new "control person". The shareholders approved the ordinary resolution of a new control person;

(iii) an ordinary resolution, approving a new stock option plan reserving up to a maximum of 10% of the shares issued and outstanding from time to time.