ME RESOURCE CORP.

(formerly QMI Seismic Inc.)

Condensed Interim Financial Statements

Three and Six Months Ended June 30, 2012

(Unaudited - Expressed in Canadian dollars)

NOTICE TO READER

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim financial statements have been prepared by management, and were not reviewed by the Company's independent auditor.

ME Resource Corp. (Formerly QMI Seismic Inc.)
Condensed Interim statements of financial position
(Unaudited - Expressed in Canadian dollars)

	Note	June 30, 2012	December 31, 2011
		$	$
ASSETS			
Current assets			
Cash		21,642	5,876
Other receivable		10,797	18,864
		32,439	24,740
Non-current assets			
Other receivable	8	1	1
Total assets		32,440	24,741
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities		17,745	29,673
Due to related parties	5	1,710	84,061
Note payable	6	61,466	57,471
		80,921	171,205
DEFICIENCY			
Share capital	4	812,329	649,639
Reserves		440,838	463,528
Deficit		(1,301,648)	(1,259,631)
		(48,481)	(146,464)
Total shareholders' deficiency and liabilities		32,440	24,741

Note 1: Nature and operation and going concern

Approved and authorized for issuance by the Board of Directors on August 22, 2012

/s/ Navchand Jagpal
Director

/s/Gurdeep Johal
Director

See accompanying notes to interim financial statements

ME Resource Corp. (Formerly QMI Seismic Inc.)
Condensed interim statements of comprehensive loss
(Unaudited - Expressed in Canadian dollars)

	Note	Three Months Ended June 30, 2012	Three Months Ended June 30, 2011	Six Months Ended June 30, 2012	Six Months Ended June 30, 2011
Expenses		$	$	$	$
Consulting	5	3,810	20,000	22,100	39,740
Filing fees		2,423	11,165	6,697	11,722
Loan interest and accretion	6	2,015	-	3,995	-
Office and administration		81	12,083	2,455	17,673
Professional fees		4,770	23,207	6,770	27,007
Loss from operating activities		(13,099)	(66,455)	(42,017)	(96,142)
Loss from asset write off		-	-	-	(1)
Loss and comprehensive loss for the year		(13,099)	(66,455)	(42,017)	(96,143)
loss per share – basic and diluted		(0.00)	(0.00)	(0.00)	(0.00)
Weighted average number of outstanding common shares –basic and diluted		25,583,372	23,545,185	24,616,339	23,576,742

See accompanying notes to interim financial statements

ME Resource Corp. (Formerly QMI Seismic Inc.)
Condensed interim statements of cash flows
(Unaudited - Expressed in Canadian dollars)

	Note	Three Months Ended June 30, 2012	Three Months Ended June 30, 2011	Six Months Ended June 30, 2012	Six Months Ended June 30, 2011
		$	$	$	$
Cash flows from operating activities					
Loss for the period		(13,099)	(66,455)	(42,017)	(96,143)
Items no involve cash					
- accretion and accrued interest	6	2,015	-	3,995	-
- Loss from assets write off		-	1	-	1
Changes in non-cash working capital items:					
- other receivables		(515)	(5,184)	8,067	(3,565)
- accounts payable and accrued liabilities		(8,561)	21,422	(11,928)	3,495
		(20,160)	(50,216)	(41,883)	(96,212)
Cash flows from financing activities					
Capital stock issuance for cash	4	-	20,000	140,000	20,000
Due to related parties		1,710	1,655	(82,351)	14,044
		1,710	21,655	57,649	34,044
Cash flows from investing activities					
Acquisition of exploration and evaluation assets		-	(6,500)	-	(6,500)
Increase in deferred exploration cost		-	(3,500)	-	(3,500)
	7	-	(10,000)	-	(10,000)
Net cash inflow (outflow)		(18,450)	(38,561)	15,766	(72,168)
Cash, beginning of period		40,092	40,236	5,876	73,843
Cash, end of period		21,642	1,675	21,642	1,675
Supplementary information:					
Cash paid for Interest expense		-	-	-	-
Cash paid for tax expenses		-	-	-	-

See accompanying notes to interim financial statements

ME RESOURCE CORP. (formerly QMI Seismic Inc.)
Condensed interim statements of changes in equity (deficiency)
June 30, 2012
(Unaudited - Expressed in Canadian dollars)

			Share capital			Reserves					
	Note	Number of shares	Amount	Subscription receivable		Stock-option reserve	Loan	Warrant		Deficit	Total
			$	$		$	$	$		$	$
January 1, 2011		23,608,372	654,639	(25,000)		418,545	-	39,862		(1,065,607)	22,439
Loss for the period		-	-	-		-	-	-		(96,143)	(96,143)
Recipt of subscription receivable		-	-	20,000		-	-	-	-	-	20,000
Write off of subscription receivable		-	(5,000)	5,000		-	-	-		-	-
Balance, June 30, 2011		23,608,372	649,639	-	-	418,545	-	39,862		(1,161,750)	(53,704)
January 1, 2012		23,583,372	649,639	-		418,545	5,121	39,862		(1,259,631)	(146,464)
Share issuance - warrants exercise	4	2,000,000	162,690	-		-	-	(22,690)		-	140,000
Loss for the period		-	-	-		-	-	-		(42,017)	(42,017)
Balance, June 30, 2012		25,583,372	812,329	-		418,545	5,121	17,172		(1,301,648)	(48,481)

See accompanying notes to interim financial statements

1. NATURE AND CONTINUANCE OF OPERATIONS

ME Resource Corp., formerly QMI Seismic Inc., (the "Company") was incorporated under the Business Corporation Act (British Columbia) on October 16, 2009. The Company's shares are traded on the Canadian National Stock Exchange under the symbol MEC. The Company's Head and Registered Office address is 1250 West Hastings Street, Vancouver, B.C. While the Company's principal business activity is the exploration and development of exploration and evaluation assets. the Company is actively reviewing other new business opportunities.

These financial statements have been prepared using International Financial Reporting Standards ("IFRS") applicable to a going concern, which assume that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. Different bases of measurement may be appropriate if the Company is not expected to continue operations for the foreseeable future. The Company had recurring deficit since inception and had an accumulated deficit of 1,310,648 as at June 30, 2012. The Company's continuation as a going concern is dependent upon its ability to attain profitable operations and generate funds there from and/or raise equity capital to meet current and future obligations. These condensed interim financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue in business.

2. STATEMENT OF COMPLIANCE

These condensed interim financial statements have been prepared using the same accounting policies and methods of computation as were applied in our most recent audited annual financial statements for the year ended December 31, 2011 and were authorize for issue on August 22, 2012 by the directors of the Company.

These Consolidated Interim Financial Statements have been prepared in accordance with International Accounting Standards ("IAS") 34 "Interim Financial Reporting" ("IAS 34") using accounting policies consistent with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

These condensed interim financial statements does not include all of the information required of a full annual financial report and is intended to provide users with an update in relation to events and transactions that are significant to an understanding of the changes in financial position and performance of the Company since the end of the last annual reporting period. It is therefore recommended that these condensed interim financial statements be read in conjunction with the most recent audited annual financial statements of the Company for the year ended 31 December 2011.

3. BASIS OF MEASUREMENT AND NEW ACCOUNTING STANDARDS

Basis of measurement

These condensed interim financial statements have been prepared on an accrual basis and are based on historical costs, except for financial instruments which are measured at fair value. These condensed interim financial statements are presented in Canadian dollars, the functional currency of the Company.

3. BASIS OF MEASUREMENT AND NEW ACCOUNTING STANDARDS (Continued)

New and revised accounting standards

The Company has not adopted new accounting standards since the most recent year ended December 31, 2011.

Unless otherwise noted, the following revised standards and amendments are effective for annual periods beginning on or after January 1, 2013 with earlier application permitted. The Company has not yet assessed the impact of these standards and or determined whether it will early adopt them.

IFRS 9, Financial Instruments, introduces new requirements for the classification and measurement of financial assets. IFRS 9 requires all recognized financial assets that are within the scope of IAS 39 Financial Instruments: Recognition and Measurement to be subsequently measured at amortized cost or fair value. Specifically, financial assets that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortized cost at the end of subsequent accounting periods. All other financial assets including equity investments are measured at their fair values at the end of subsequent accounting periods.

Requirements for financial liabilities were added in October 2010 and they largely carried forward existing requirements in IAS 39, Financial Instruments – Recognition and Measurement, except that fair value changes due to credit risk for liabilities designated at fair value through profit and loss would generally be recorded in other comprehensive income. IFRS 9 is effective for annual periods beginning on or after January 1, 2015.

IFRS 10, Consolidated Financial Statements, requires an entity to consolidate an investee when it has power over the investee, is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. IFRS 10 replaces SIC-12, *Consolidation—Special Purpose Entities* and parts of IAS 27, *Consolidated and Separate Financial Statements*.

IFRS 11, Joint Arrangements, requires a venturer to classify its interest in a joint arrangement as a joint venture or joint operation. Joint ventures will be accounted for using the equity method of accounting whereas for a joint operation the venturer will recognize its share of the assets, liabilities, revenue and expenses of the joint operation. Under existing IFRS, entities have the choice to proportionately consolidate or equity account for interests in joint ventures. IFRS 11 supersedes IAS 31, *Interests in Joint Ventures*, and SIC-13, *Jointly Controlled Entities—Non-monetary Contributions by Venturers*.

IFRS 12, Disclosure of Interests in Other Entities, establishes disclosure requirements for interests in other entities, such as subsidiaries, joint arrangements, associates, and unconsolidated structured entities. The standard carries forward existing disclosures and also introduces significant additional disclosure that address the nature of, and risks associated with, an entity’s interests in other entities.

IFRS 13, *Fair Value Measurement*, is a comprehensive standard for fair value measurement and disclosure for use across all IFRS standards. The new standard clarifies that fair value is the price that would be received to sell an asset, or paid to transfer a liability in an orderly transaction between market participants, at the measurement date. Under existing IFRS, guidance on measuring and

3. BASIS OF MEASUREMENT AND NEW ACCOUNTING STANDARDS (Continued)

disclosing fair value is dispersed among the specific standards requiring fair value measurements and does not always reflect a clear measurement basis or consistent disclosures.

IAS 1, Presentation of Financial Statements, has been amended to require entities to separate items presented in OCI into two groups, based on whether or not items may be recycled in the future. Entities that choose to present OCI items before tax will be required to show the amount of tax related to the two groups separately. The amendment is effective for annual periods beginning on or after July 1, 2012 with earlier application permitted.

IAS 19, *Employee Benefits*, has been amended to make significant changes to the recognition and measurement of defined benefit pension expense and termination benefits and to enhance the disclosure of all employee benefits. The amended standard requires immediate recognition of actuarial gains and losses in other comprehensive income as they arise, without subsequent recycling to net income. This is consistent with the Company's current accounting policy. Past service cost (which will now include curtailment gains and losses) will no longer be recognized over a service period but instead will be recognized immediately in the period of a plan amendment. Pension benefit cost will be split between (i) the cost of benefits accrued in the current period (service cost) and benefit changes (past-service cost, settlements and curtailments); and (ii) finance expense or income. The finance expense or income component will be calculated based on the net defined benefit asset or liability. A number of other amendments have been made to recognition, measurement and classification including redefining short term and other long-term benefits, guidance on the treatment taxes related to benefit plans, guidance on risk/cost sharing features, and expanded disclosures.

Other amendments - In addition, there have been amendments to existing standards, including IFRS 7 Financial Instruments: Disclosure, IAS 27, Separate Financial Statements, IAS 28, Investments in Associates and Joint Ventures, and IAS 32, Financial Instruments: Presentation. IFRS 7 amendments require disclosure about the effects of offsetting financial assets and financial liabilities and related arrangements on an entity's financial position. IAS 27 addresses accounting for subsidiaries, jointly controlled entities and associates in non-consolidated financial statements. IAS 28 has been amended to include joint ventures in its scope and to address the changes in IFRS 10 – 13. IAS 32 addresses inconsistencies when applying the offsetting requirements, and is effective for annual periods beginning on or after January 1, 2014.

4. SHARE CAPITAL

Authorized share capital: An unlimited number of common shares without par value
An unlimited number of preferred shares without par value

During the three months ended March 31, 2012, 2,000,000 (two million) warrants of the Company were converted to common shares at $0.07/share. The Company will use the $140,000 gross proceeds for its operation. The fair value ($22,960) of these warrants at issuance was previously allocated to the Company's reserve – warrants in 2010. The Company reclassified this amount of $22,960 to its share capital when these warrants were exercised in the first quarter of 2012.

The Company did not issue nor cancel common shares during the second quarter ended June 30, 2012.

(Expressed in Canadian Dollars)

4. SHARE CAPITAL (Continued)

Stock options

There were no stock options granted or exercised during the six months ended June 30, 2012. As at June 30, 2012, there were no stock options outstanding.

Warrants

During the three months ended March 31, 2012, 2,000,000 (two million) warrants of the Company were converted to common shares at $0.07/share.

As at June 30, 2012, the Company's outstanding warrants solely consisted of 1,000,000 warrants with an exercise price of $0.07/share and an expiry date on August 10, 2012.

Subsequent to the six months ended June 30, 2012, the Company received CNSX's approval to amend the terms of these 1,000,000 outstanding warrants for an additional two years.

5. RELATED PARTY TRANSACTIONS

During the six months ended June 30, 2012, the Company incurred consulting fees of $20,000 (2010 - $30,000) and $2,100 (2010 - $3,940) charged by a company controlled by the Company's chief executive officer, and a director respectively for their services provided.

As at June 30, 2012, $1,710 (2011/6/30 - $25,072) was owing to the Company related to the Company's chief executive officer.

Amounts due to related parties are unsecured, non-interest bearing and payable on demand.

6. NOTE PAYABLE

On August 28, 2011, the Company entered into a loan agreement to borrow $60,000 to meet its operational cash requirements. The amount is unsecured, bears interest at 7% per annum and is convertible to common shares of the Company at $0.50 per share through mutual consent by both the borrower and the lender. As the loan bears interest at below market rates, the fair value of the loan was determined to be $54,879 at August 28, 2011 using an effective interest rate of 15%. Continuity of the note payable is as follows:

	Balance
August 28, 2011	$54,879
Accretion	2,592
December 31, 2011	57,471
Accretion	3,995
June 30, 2012	$61,466

(Expressed in Canadian Dollars)

7. EXPLORATION AND EVALUATION ASSETS

In June 2011, the Company entered into an option agreement to acquire a 100% undivided interest in two exploration and evaluation assets in Kamloops, B.C.

Under the option agreement, the Company paid $6,500 and incurred $3,500 exploration cost during six months ended June 30, 2011.

During the year ended December 31, 2011, management determined that both exploration and evaluation assets were fully impaired.

	December 31. 2010	Change	June 30, 2011	Change	December 31. 2011
	$	$	$	$	$
Acquisition costs	-	6,500	6,500	-	6,500
Deferred exploration and development costs	-	3,500	3,500	-	3,500
Impairment	-	-	-	(10,000)	(10,000)
	-	10,000	10,000	(10,000)	-

8. OTHER RECEIVABLE

On March 31, 2011, the Company agreed to convert the $521,210 balance owing by an ex-business partner (the “Debtor’) into a $400,000 promissory note. The note bears interest at 2% per annum, compounds monthly, and is due and payable in three installments: $50,000 principal on March 31, 2012 (the “First Repayment’), $50,000 principal on March 31, 2013, and $300,000 principal and accrued interest on March 31, 2014. The note is secured by a general security agreement over the assets of the Debtor. Due to the uncertainty with of collectability of the note, the Company wrote down the promissory note to $1

On March 31, 2012, the Company did not receive the First Repayment as scheduled. The Company is the process of demanding the Debtor for repayment and has not received any repayment as of the date of these condensed interim financial statements.