ME RESOURCE CORP.

Condensed Interim Financial Statements

Nine Months Ended September 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.
Condensed interim statements of financial position
(Unaudited - Expressed in Canadian dollars)

	Note	September 30, 2012	December 31, 2011
		$	$
ASSETS			
Current assets			
Cash		9,187	5,876
Other receivable		9,085	18,864
		18,272	24,740
Non-current assets			
Other receivable	8	1	1
Total assets		18,273	24,741
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities		11,659	29,673
Due to related parties	5	1,710	84,061
Note payable	6	63,516	57,471
		76,885	171,205
DEFICIENCY			
Share capital	4	812,329	649,639
Reserves		440,838	463,528
Deficit		(1,311,779)	(1,259,631)
		(58,612)	(146,464)
Total shareholders' deficiency and liabilities		18,273	24,741

Note 1: Nature and operation and going concern
Note 9: Subsequent event

Authorized for issuance by the Board of Directors on November 10, 2012

/s/ Navchand Jagpal
Director

/s/Gurdeep Johal
Director

See accompanying notes to condensed interim financial statements

ME Resource Corp.

Condensed interim statements of comprehensive loss

(Unaudited - Expressed in Canadian dollars)

		Three Months Ended September 30,		Nine Months Ended September 30,	
	Note	**2012**	**2011**	**2012**	**2011**
Expenses		$	$	$	$
Consulting	5	2,780	15,000	24,880	54,740
Filing fees		2,073	13,791	8,770	25,513
Loan interest and accretion	6	2,049	-	6,045	-
Office and administration		(752)	19,975	1,703	37,648
Professional fees		3,980	2,050	10,750	29,057
Loss from operating activities		(10,130)	(50,816)	(52,148)	(146,958)
Loss from asset write off		-	-	-	(1)
Loss and comprehensive loss for the year		(10,130)	(50,816)	(52,148)	(146,959)
loss per share – basic and diluted		(0.00)	(0.00)	(0.00)	(0.01)
Weighted average number of outstanding common shares –basic and diluted		25,583,372	23,583,372	24,941,036	23,576,742

See accompanying notes to condensed interim financial statements

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

	Note	Nine Months Ended September 30, 2012	2011
		$	$
Cash flows from operating activities			
Loss for the period		(52,148)	(146,959)
Items not involve cash			
- accretion and accrued interest	6	6,045	-
- Loss from assets write off		-	1
Changes in non-cash working capital items:			
- other receivables		9,779	(72,748)
- accounts payable and accrued liabilities		(18,014)	20,024
		(54,338)	(199,682)
Cash flows from financing activities			
Capital stock issuance for cash	4	140,000	20,000
Due to related parties		(82,351)	25,145
Issuance of promissory note		-	120,000
		57,649	165,145
Cash flows from investing activities			
Acquisition of exploration and evaluation assets		-	(6,500)
Increase in deferred exploration cost		-	(3,500)
		-	(10,000)
Net cash inflow (outflow)		3,311	(44,537)
Cash, beginning of period		5,876	73,843
Cash, end of period		9,187	29,306
Supplementary information:			
Cash paid for Interest expense		-	449
Cash paid for tax expenses		-	-

See accompanying notes to condensed interim financial statements

ME RESOURCE CORP.

Condensed interim statements of changes in equity (deficiency)

September 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		-	-	-	-	-	-	(146,959)	(146,959)
Recipt of subscription receivable		-	-	20,000	-	-	-	-	20,000
Write off of subscription receivable		(25,000)	(5,000)	5,000	-	-	-	-	-
Balance, September 30, 2011		23,583,372	649,639	- -	418,545	-	39,862	(1,212,566)	(104,520)
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		-	-	-	-	-	-	(52,148)	(52,148)
Balance, September 30, 2012		25,583,372	812,329	-	418,545	5,121	17,172	(1,311,779)	(58,612)

See accompanying notes to condensed 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 office address is 1250 West Hastings Street, Vancouver, B.C. While the Company's principal business activity is the exploration and development of natural resource properties, 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 1,311,779 as at September 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 factors cast significant doubt about the Company's ability to continue as a going concern. 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 November 10, 2012 by the directors of the Company.

These condensed 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 do not include all of the information required of a full annual financial report and are 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 December 31, 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 their fair values. These condensed interim financial statements are presented in Canadian dollars, the functional currency of the Company.

Significant accounting judgments and estimates

The preparation of financial statements in conformity with IFRS requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported revenues and expenses during the period. Although management uses historical experience and its best knowledge of the amount, events or actions to form the basis for judgments and estimates, actual results may differ from these estimates.

Critical judgments exercised in applying accounting policies that have the most significant effect on the amounts recognized in these condensed interim financial statements are as follows:

Determination of functional currency

The functional currency of the Company is measured using the currency of the primary economic environment in which that the Company operates. The Company determines the functional currency through an analysis of several indicators such as expenses and cash flow, financing activities, retention of operating cash flows, and frequency of transactions with the reporting entity

Revisions to accounting estimates are recognized in the period in which the estimate is revised and the revision affects both current and future periods. Significant estimates applied by the Company are as follows:

Income taxes

In assessing the probability of realizing income tax assets, management makes estimates related to expectations of future taxable income, applicable tax opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. In making its assessments, management gives additional weight to positive and negative evidence that can be objectively verified.

Changes in significant accounting policies

The Company has not adopted new accounting policies since its recent year ended December 31, 2011. The following Standards and Interpretations applicable to the Company were issued but not yet effective. Unless otherwise stated, these new accounting standards and amendments will become effective for annual period beginning on or after January 1, 2013.

- *IFRS 9 (2009 and 2010) (AC 146)* - *Financial Instruments.*
- *IFRS 10 – Consolidated Financial Statements.*
- *IFRS 12 – Disclosure of Interest in Other Entities.*
- *IFRS 13 – Fair Value Measurement.*

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

Changes in significant accounting policies (continued)

IFRS 9 (2009) (AC 146) will be applied retrospectively, subject to transitional provisions. IFRS 9 (AC 146) addresses the initial measurement and classification of financial assets and will replace the relevant sections of IAS 39 (AC 133).Under IFRS 9 (AC 146) there are two options in respect of classification of financial assets, namely, financial assets measured at amortised cost or at fair value. Financial assets are measured at amortised cost when the business model is to hold assets in order to collect contractual cash flows and when they give rise to cash flows that are solely payments of principal and interest on the principal outstanding. All other financial assets are measured at fair value. Embedded derivatives are no longer separated from hybrid contracts that have a financial asset host. The impact on the financial statements for the group has not yet been estimated.

IFRS 9 (2010) (AC 146) will be applied retrospectively, subject to transitional provisions. IFRS 9 (2010) (AC 146) addresses the measurement and classification of financial liabilities and will replace the relevant sections of IAS 39 (AC 133).

Under IFRS 9 (2010), the classification and measurement requirements of financial liabilities are the same as per IAS 39 (AC 133), except for the following two aspects: fair value changes for financial liabilities (other than financial guarantees and loan commitments) designated at fair value through profit or loss, that are attributable to the changes in the credit risk of the liability will be presented in other comprehensive income (OCI). The remaining amount of the fair value change is recognised in profit or loss. However, if this requirement creates or enlarges an accounting mismatch in profit or loss, then the whole fair value change is presented in profit or loss. The determination as to whether such presentation would create or enlarge an accounting mismatch is made on initial recognition and is not subsequently reassessed.

Under IFRS 9 (2010) (AC 146) derivative liabilities that are linked to and must be settled by delivery of an unquoted equity instrument whose fair value cannot be reliably measured, are measured at fair value.

IFRS 9 (2010) (AC 146) incorporates, the guidance in IAS 39 dealing with fair value measurement and accounting for derivatives embedded in a host contract that is not a financial asset, as well as the requirements of IFRIC 9 Reassessment of Embedded Derivatives. The impact on the financial statements for the group has not yet been determined.

IFRS 10 was issued in June 2011 and is the result of the ISAB’s project to replace Standing Interpretations Committee 12, "Consolidation - Special Purpose Entities" and the consolidation requirements of IAS 27, "Consolidated and Separate Financial Statements". The new standard eliminates the current risk and rewards approach and establishes control as the single basis for determining the consolidation of an entity. The standard provides detailed guidance on how to apply the control principles in a number of situations, including agency relationships and holdings or potential voting rights.

(Unaudited - expressed in Canadian dollars)

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

Changes in significant accounting policies (continued)

IFRS 12 was issued in June 2011 and outlines the required disclosures for interests in subsidiaries and joint arrangements. The new disclosures require information that will assist financial statement users to evaluate the nature, risks and financial effects associated with an entity's interests in subsidiaries and joint arrangements.

IFRS 13 was issued in June 2011 and provides a common definition of fair value establishes a framework for measuring fair value under IFRSs and enhances the disclosures required for fair value measurements. The standard applies where fair value measurements are required and does not require new fair value measurements.

Management anticipates that the application of above new standards may have an impact on amounts reported in the Company's financial statements. However, management has not performed a detailed analysis of the impact of the application of the above standards and hence has not yet quantified the extent of the impact.

4. SHARE CAPITAL

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.

There was no other share issuance nor cancellation during the nine months ended September 30, 2012.

Stock options

There were no stock options granted or exercised during the nine months ended September 30, 2012. As at September 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 September 30, 2012, the Company's outstanding warrants solely consisted of 1,000,000 warrants with an exercise price of $0.07/share and an original expiry date of August 10, 2012, which was extended to July 9, 2014. The Company received CNSX's approval to amend the terms of these 1,000,000 outstanding warrants during the three months ended September 30, 2012.

(Unaudited - expressed in Canadian dollars)

5. RELATED PARTY TRANSACTIONS

All related party transactions were measured at the exchange value, which represented the amount of consideration established and agreed to by the related parties.

During the nine months ended September 30, 2012, the Company incurred consulting fees of $20,000 charged by the Company's chief executive officer, and $4,480 charged by a director for their services provided. There was no transaction between the Company and other related parties. The Company did not pay any short-term employee benefits, post-employment benefits, other long-term benefits, termination benefits to its management; and there was $nil share-based payments paid to the Company's management and directors.

Amounts due to related parties are unsecured, non-interest bearing and payable on demand. As at September 30, 2012, $1,710 was owing to the Company's chief executive officer.

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	6,045
September 30, 2012	$63,516

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.

The Company did not acquire additional exploration assets during nine months ended September 30, 2012; thus did not have any exploration and evaluation asset as at September 30, 2012.

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 the collectability of the note receivable, the Company wrote down the promissory note to $1in 2010.

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

9. SUBSEQUENT EVENT

Subsequent to the nine months ended September 30, 2012, the Company entered into a non-binding letter of intent (the "LOI") with 0949445 B.C. Ltd., a British Columbia registered company, on October 31, 2012. The LOI grants the Company an exclusive Canadian license for the use of intellectual property related to clean power energy systems for oil and gas applications. The LOI also grants the Company an exclusive option to license additional international territories for a 10 year period. The Company will pay $3 million plus up to 25,000,000 common shares of the Company as consideration of this proposed transaction.