OMINECA MINING AND METALS LTD.
(An Exploration Stage Corporation)
CONDENSED INTERIM FINANCIAL STATEMENTS

For the period ended September 30, 2012

(Expressed in Canadian dollars)

(Unaudited – prepared by management)

OMINECA MINING AND METALS LTD.
(An Exploration Stage Corporation)
CONDENSED INTERIM FINANCIAL STATEMENTS

NOTICE TO READER OF THE
CONDENSED INTERIM FINANCIAL STATEMENTS

The Management of Omineca Mining and Metals Ltd. is responsible for the preparation of the accompanying condensed interim financial statements as at September 30, 2012.

The condensed interim financial statements have been prepared by management and include the selection of appropriate accounting principles, judgments and estimates necessary to prepare these financial statements in accordance with International Financial Reporting Standards ("IFRS").

"Timothy J Termuende"	*"Glen J Diduck"*
Timothy J. Termuende, P. Geo	Glen J. Diduck, CA
President and Chief Executive Officer	Chief Financial Officer

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

OMINECA MINING AND METALS LTD.
(An Exploration Stage Corporation)
CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION
(Unaudited – prepared by management)
Expressed in Canadian dollars

	Sep 30 2012 (unaudited)	Dec 31 2011 (audited)
Assets		
Current		
Cash and cash equivalents	**$2,116,625**	$2,872,345
Accounts receivable	**15,376**	14,886
Current investments (Note 5)	**104,650**	98,125
	2,236,651	2,985,356
Investments (Note 5)	**89,696**	12,625
Exploration and evaluation assets (Note 6)	**479,440**	471,495
	$2,805,787	$3,469,476
Liabilities and Shareholders' Equity		
Current		
Accounts payable and accrued liabilities	**$ 12,960**	$ 46,018
Other liabilities (Note 10)	**-**	63,213
	12,960	109,231
Shareholders' equity		
Share capital (Note 7)	**5,756,804**	5,766,550
Contributed surplus	**373,763**	371,823
Accumulated other comprehensive loss (Note 5)	**(119,485)**	(19,626)
Deficit	**(3,218,255)**	(2,758,502)
	2,792,827	3,360,245
	$2,805,787	$3,469,476

Nature and Continuance of Operations (Note 2)
Commitments and Contingencies (Note 10)
Subsequent Events (Note 15)

On behalf of the Board:

"Timothy J Termuende" Director
Mr. Timothy J. Termuende (Signed)

"Glen J Diduck" Director
Mr. Glen J. Diduck (Signed)

OMINECA MINING AND METALS LTD.
(An Exploration Stage Corporation)
CONDENSED INTERIM STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(Unaudited – prepared by management)
Expressed in Canadian dollars

	Three Months Ended Sep 30 2012	Three Months Ended Sep 30 2011	Nine Months Ended Sep 30 2012	Nine Months Ended Sep 30 2011
Expenses				
Administration costs (Note 9)	**$ 33,074**	$ 57,218	**$ 105,993**	$ 160,424
Professional fees (Note 9)	**10,683**	10,714	**48,172**	24,871
Public company costs	**1,500**	3,480	**17,890**	16,866
Share-based payments (Note 7)	**-**	(5,820)	**1,940**	367,943
Trade shows, travel and promotion	**9,339**	16,025	**36,341**	45,964
Write-down of mineral properties (Note 6)	**417,646**	-	**417,646**	-
Loss before other items	**(472,242)**	(81,617)	**(627,982)**	(616,068)
Other items				
Other income	**2,151**	-	**63,213**	-
Investment income	**3,184**	7,906	**20,462**	7,943
Loss on sale of investments	**-**	-	**-**	(343,430)
Option proceeds in excess of carrying value (Note 6)	**10,250**	-	**84,554**	-
Loss for the period	**(456,657)**	(73,711)	**(459,753)**	(951,555)
Other comprehensive loss				
Unrealized gain (loss) on investments	**38,653**	(41,875)	**(99,859)**	46,826
Reclassification on disposition of investments	**-**	-	**-**	(137,499)
Comprehensive loss for the period	**$(418,004)**	$(115,586)	**$(559,612)**	$(1,042,228)
Earnings per share – basic and diluted (Note 8)	**($0.03)**	($0.00)	**($0.03)**	($0.09)
Weighted average number of shares – basic and diluted (Note 8)	**18,024,838**	15,917,744	**18,024,838**	10,638,492

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

OMINECA MINING AND METALS LTD.
(An Exploration Stage Corporation)
CONDENSED INTERIM STATEMENTS OF CASH FLOWS
(Unaudited – prepared by management)
Expressed in Canadian dollars

	Three Months Ended Sep 30		Nine Months Ended Sep 30	
	2012	2011	2012	2011
Cash flows from operating activities				
Income (loss) for the period	**$(456,657)**	$ (73,711)	**$(459,753)**	$(951,555)
Adjustment for:				
Loss on sale of investments	-	-	-	343,430
Option proceeds in excess of carrying value	**(10,250)**	-	**(84,554)**	-
Premium on flow-through shares	**(2,151)**	-	**(63,213)**	-
Share-based payment	-	(5,820)	**1,940**	367,943
Write down of mineral properties	**417,646**	-	**417,646**	-
	(51,412)	(79,531)	**(187,934)**	(240,182)
Changes in non-cash working capital items				
(Increase) decrease in accounts receivable	**30,419**	(38,336)	**(490)**	(43,014)
Increase (decrease) in accounts payable and accrued liabilities	**(5,337)**	(25,500)	**(33,058)**	33,445
	(26,330)	(143,367)	**(221,482)**	(249,751)
Cash flows from financing activity				
Funding provided by Copper Canyon	-	-	-	112,419
Share issue costs (refunded)	**250**	-	**(9,746)**	-
Proceeds from plan of arrangement	**-**	-	-	2,500,000
	250	-	**(9,746)**	2,612,419
Cash flows from investing activities				
Proceeds from sale of investments	**5,000**	-	**5,000**	501,568
Purchase of investments	**(150)**	-	**(54,253)**	-
Exploration of mineral exploration properties	**(76,653)**	(246,973)	**(475,239)**	(271,469)
	(71,803)	(246,973)	**(524,492)**	230,099
Increase (decrease) in cash and cash equivalents	**(97,883)**	(390,340)	**(755,720)**	2,592,767
Cash and cash equivalents, beginning of period	**2,214,508**	2,983,107	**2,872,345**	-
Cash and cash equivalents, end of period	**$2,116,625**	$2,592,767	**$2,116,625**	$2,592,767
Cash and cash equivalents comprise:				
Bank deposits	**$ 39,416**	$ 35,558	**$ 39,416**	$ 35,558
Term deposits	**2,077,209**	2,557,209	**2,077,209**	2,557,209
	$2,116,625	$2,592,767	**$2,116,625**	$2,592,767

Statement of Cash Flows (Note 12)
The Company made no cash payments for income taxes or interest.

OMINECA MINING AND METALS LTD.
(An Exploration Stage Corporation)
CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY
(Unaudited – prepared by management)
Expressed in Canadian dollars

	Share Capital Shares	Amount	Contributed Surplus	Accumulated Other Comprehensive Income	Deficit	Total
Balance, January 1, 2012	18,024,838	$5,766,550	$ 371,823	$ (19,626)	$(2,758,502)	$3,360,245
Share issue costs	-	(9,996)	-	-	-	(9,996)
Share-based payments	-	-	1,940	-	-	1,940
Income for the period	-	-	-	-	11,821	11,821
Other comprehensive loss for the period	-	-	-	(71,066)	-	(71,066)
Balance, March 31, 2012	18,024,838	5,756,554	373,763	(90,692)	(2,746,681)	3,292,944
Loss for the period	-	-	-	-	(14,917)	(14,917)
Other comprehensive loss for the period	-	-	-	(67,446)	-	(67,446)
Balance, June 30, 2012	18,024,838	5,756,554	373,763	(158,138)	(2,761,598)	3,210,581
Share issue costs refunded	-	250	-	-	-	250
Loss for the period	-	-	-	-	(456,657)	(456,657)
Other comprehensive income for the period	-	-	-	38,653	-	38,653
Balance, September 30, 2012	**18,024,838**	**$5,756,804**	**$ 373,763**	**$ (119,485)**	**$(3,218,255)**	**$2,792,827**

	Share Capital Shares	Amount	Contributed Surplus	Accumulated Other Comprehensive Income	Deficit	Total
Balance, January 1, 2011	-	$ -	$4,436,112	$(92,775)	$(3,317,295)	$1,026,042
On incorporation, March 15, 2011	-	1	-	-	-	1
Balance, March 31, 2011	-	1	4,436,112	(92,775)	(3,317,295)	1,026,043
Continuity of interest (Plan of Arrangement)	-	2,155,037	(4,436,112)	148,649	1,618,107	(514,319)
Shares issued under Plan of Arrangement	15,917,744	3,301,118	-	-	-	3,301,118
Share-based payments	-	-	373,763	-	-	373,763
Loss for the period	-	-	-	-	(877,845)	(877,845)
Other comprehensive loss for the period	-	-	-	(16,101)	-	(16,101)
Balance, June 30, 2011	15,917,744	5,456,156	373,763	39,773	(2,577,033)	3,292,659
Share-based payments	-	-	(5,820)	-	-	(5,820)
Loss for the period	-	-	-	-	(73,711)	(73,711)
Other comprehensive loss for the period	-	-	-	(41,875)	-	(41,875)
Balance, September 30, 2011	15,917,744	$5,456,156	$367,943	$(2,102)	$(2,650,744)	$3,171,253

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

1. Plan of Arrangement and Transfer of Assets

On May 20, 2011, NovaGold Resources Inc acquired all of the outstanding common shares of Copper Canyon Resources Ltd. ("Copper Canyon" or "CPY") by way of a Plan of Arrangement (the "Arrangement") under the Business Corporations Act (Alberta).

Under the Arrangement, Copper Canyon shareholders received 0.0735 common shares of NovaGold for each common share of Copper Canyon, plus one common share of a newly incorporated company, being Omineca Mining and Metals Ltd. (the "Company" or "Omineca" or "OMM"), for every four shares of Copper Canyon. In connection with the completion of the Arrangement, the common shares of Omineca were listed on the TSX Venture Exchange.

As part of the Plan of Arrangement, Copper Canyon transferred to Omineca $2,500,000 cash and its interests in the Harrison Lake (Abo) Gold Property, the Severance Project and the Kiwi Project (the "Spin-out Properties) as well as all share positions in other companies (collectively, the "Omineca Business") held by Copper Canyon.

The Company's financial statements reflect the financial position, statements of comprehensive loss, cash flows and equity of the Omineca Business as if Omineca existed in its present form during the years reported. The statements of comprehensive loss for the period to May 20, 2011 which is included in the results to September 30, 2011, include an allocation of CPY's general and administrative expenses incurred in each of these years. The allocation of general and administrative expenses was calculated on the basis of the ratio of costs incurred on the Spin-out Properties in each period presented as compared to the costs incurred on all mineral properties of CPY in each of these years.

The financial statements have been presented under the continuity of interest basis of accounting with statement of financial position amounts based on the amounts recorded by CPY. Management cautions readers of these financial statements that the allocation of expenses does not necessarily reflect future general and administrative expenses.

The opening deficit of the Company at January 1, 2010 was calculated by applying the same allocation principles outlined above to the cumulative transactions relating to the Spin-out Properties from the date of acquisition of those mineral properties to December 31, 2009 and includes an allocation of CPY's general and administrative expenses from the date of acquisition of those mineral properties to December 31, 2009. The allocation of general and administrative expense was calculated on the basis of the ratio of costs incurred on the Spin-out Properties in each prior year as compared to the costs incurred on all mineral properties of CPY in each of those prior years.

2. Nature and Continuance of Operations

The Company was incorporated on March 15, 2011, pursuant to the Alberta Business Corporation Act (Alberta), and is extra-provincially registered in the Yukon and British Columbia.

The Company holds properties in British Columbia and the Yukon for the purpose of exploring for, and the development of mineral resources. As the Company has not commenced production on any of its mining properties the Company is an exploration stage company.

The Company's corporate office and principal place of business is Suite 200, 44-12th Avenue South, Cranbrook, British Columbia, Canada.

The Company will realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The Company's ability to continue as a going concern is dependent upon its ability in the future to achieve profitable operations and, in the meantime, to obtain the necessary financing to meet its obligations and repay its liabilities when they become due. External financing, predominantly by the issuance of equity to the public, will be sought to finance the operations of the Company. These financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue in business.

3. Basis of Preparation

(a) Statement of Compliance

The unaudited condensed interim financial statements for the Company for the period ending September 30, 2012 are prepared in accordance with International Accounting Standard 34 ("IAS 34"), *Interim Financial Reporting.* These unaudited condensed interim financial statements do not include all of the information required for full annual financial statements and should be read in conjunction with the Company's 2011 annual financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB").

The accounting policies applied in these unaudited condensed interim financial statements are consistent with those applied in the preparation of, and disclosed in, the Company's annual financial statements for the year ended December 31, 2011.

These unaudited condensed interim financial statements were authorized for issued by the Company's Board of Directors on November 21, 2012.

(b) Basis of Measurement

These unaudited condensed interim financial statements have been prepared on a historical cost basis except for financial instruments classified as FVTPL and available-for-sale which are stated at their fair value.

These condensed interim financial statements are presented in Canadian dollars, which is also the Company's functional currency.

(c) Use of Estimates and Judgments

The preparation of financial statements in compliance with IFRS requires management to make certain judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities and 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. Actual results may differ from these estimates and assumptions.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources.

The estimates and underlying assumptions are continuously evaluated and reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current and future periods.

Significant accounting estimates

a) The inputs used in accounting for share-based payments in profit or loss;
b) The assessment of indications of impairment of each exploration and evaluation property and related determination of the net realizable value and write-down of those properties where applicable;
c) The realization of the deferred income tax asset or liability provision.
d) Amounts of provisions, if any, for environmental rehabilitation and restoration.

Significant accounting judgments

a) The determination of categories of financial assets and financial liabilities;

The accounting policies set out below have been applied consistently to all periods presented in these unaudited condensed interim financial statements.

The unaudited condensed interim financial statements have, in management's opinion, been properly prepared using careful judgment with reasonable limits of materiality and within the framework of the significant accounting policies summarized below:

4. Significant Accounting Policies

New accounting pronouncements

Certain new accounting standards and interpretations have been published that are mandatory for the September 30, 2012 reporting period.

The following is a brief summary of the new standards adopted in the period:

IAS 12 – 'Income Taxes' – Amendments Regarding Deferred Tax: Recovery of Underlying Assets
These amendments are applicable to annual reporting periods beginning on or after January 1, 2012 and a practical approach for the measurement of deferred tax relating to investment properties measured at fair value, property, plant and equipment and intangible assets measured using the revaluation model. The measurement of deferred tax for these specified assets is based on the presumption that the carrying amount of the underlying asset will be recovered entirely through sale, unless the entity has clear evidence that economic benefits of the underlying asset will be consumed during its economic life. The adoption of this standard has no impact on the financial statements.

Certain new accounting standards and interpretations have been published that are not mandatory for the September 30, 2012 reporting period. Each of the new standards is effective for annual periods beginning on or after January 1, 2013 (as noted) with early adoption permitted. The Company has not yet begun the process of assessing the impact that the new and amended standards will have on its financial statements or whether to early adopt any of the new requirements.

The following is a brief summary of the new standards:

IFRS 7 – Offsetting Financial Assets and Liabilities
IFRS 7 requires an entity to disclose information about rights of set-off and related arrangements.

IFRS 9 – Financial Instruments
IFRS 9 addresses classification and measurement of financial assets and replaces the multiple category and measurement models in IAS 39 for debt instruments with a new mixed measurement model having only two categories: amortized cost and fair value through profit and loss. IFRS 9 also replaces the models for measuring equity instruments and such instruments are either recognized at fair value through profit and loss or at fair value through other comprehensive income. Effective for annual periods beginning on or after January 1, 2015 with early adoption permitted.

IFRS 10 – Consolidation
IFRS 10 requires an entity to consolidate an investee when it 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. Under existing IFRS, consolidation is required when an entity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. IFRS 10 replaces SIC-12 Consolidation—Special Purpose Entities and parts of IAS 27 Consolidated and Separate Financial Statements.

IFRS 11 - Joint Arrangements
IFRS 11 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
IFRS 12 establishes disclosure requirements for interests in other entities, such as joint arrangements, associates, special purpose vehicles and off balance sheet vehicles. The standard carries forward existing disclosures and also introduces significant additional disclosure requirements that address the nature of, and risks associated with, an entity's interests in other entities.

4. Significant Accounting Policies - continued

IFRS 13 - Fair Value Measurement
IFRS 13 is a comprehensive standard for fair value measurement and disclosure requirements 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. It also establishes disclosures about fair value measurement. Under existing IFRS, guidance on measuring and disclosing fair value is dispersed among the specific standards requiring fair value measurements and in many cases does not reflect a clear measurement basis or consistent disclosures.

IAS 27 Separate Financial Statements
IAS 27 *Separate Financial Statements* (as amended in 2011) outlines the accounting and disclosure requirements for 'separate financial statements', which are financial statements prepared by a parent, or an investor in a joint venture or associate, where those investments are accounted for either at cost or in accordance with IAS 39 *Financial Instruments: Recognition and Measurement* or IFRS 9 *Financial Instruments*. The standard also outlines the accounting requirements for dividends and contains numerous disclosure requirements. IAS 27 was reissued in May 2011 and applies to annual periods beginning on or after 1 January 2013 and supersedes IAS 27 *Consolidated and Separate Financial Statements* from that date.

IAS 28 Investments in Associates and Joint Ventures
IAS 28 *Investments in Associates and Joint Ventures* (as amended in 2011) outlines how to apply, with certain limited exceptions, the equity method to investments in associates and joint ventures. The standard also defines an associate by reference to the concept of "significant influence", which requires power to participate in financial and operating policy decisions of an investee (but not joint control or control of those polices). IAS 28 was reissued in May 2011 and applies to annual periods beginning on or after 1 January 2013.

5. Investments

The Company holds securities that have been designated as available-for-sale as follows:

	September 30, 2012		December 31, 2011	
	Market Value	**Cost**	Market Value	Cost
Current:				
Common shares in public companies	**$ 104,650**	**$ 196,776**	$ 98,125	$ 125,376
Long-term				
Common shares of public companies held in escrow	**$ 35,443**	**$ 62,802**	$ 7,625	$ -
Guaranteed investment certificates	**54,253**	**54,253**	5,000	5,000
	$ 89,696	**$ 117,055**	$ 12,625	$ 5,000

For securities traded in an active market, market value is based on the quoted closing prices of the securities at September 30, 2012. The fair value of these securities may differ from the quoted trading price due to the effect of market fluctuations and adjustment for quantities traded. Cost is calculated using the closing share price on the date of receipt of the securities.

The Company holds public traded securities held in escrow to be released to the Company over a period from November 16, 2012 to February 15, 2015. Securities held in escrow have been recorded at fair value, discounted by the put option for the length of the escrow period; which is calculated using the Black-Scholes option-pricing model. Guaranteed investment certificates are held for terms greater than 90 days.

Accumulated other comprehensive loss of $119,485 (September 30, 2011 – $2,102) is the result of the change in fair value up to September 30, 2012.

6. Exploration and Evaluation Assets

The Company has classified its exploration and evaluation properties into two geographical locations, namely British Columbia and Yukon. The following is a summary of the properties:

	January 1 2012	Acquisition & Exploration Costs	Option and Other Payments	Write down of properties	Option Proceeds in Excess of Carrying Value	**September 30 2012**
British Columbia						
Abo	$ 1	$ (1,995)	$ -	$ -	$ 2,316	**$ 322**
Sully	-	417,646	-	(417,646)	-	**-**
Yukon						
Kiwi	448,278	30,838	-	-	-	**479,116**
Severance	23,216	28,750	(134,202)	-	82,238	**2**
	$ 471,495	$ 475,239	$ (134,202)	$(417,646)	$ 84,554	**$ 479,440**

	January 1 2011	Acquisition & Exploration Costs	Option Proceeds in Excess of Carrying Value	September 30 2011
British Columbia				
Abo	$ 35,524	$ 2,714	$ -	$ 38,238
Yukon				
Kiwi	140,098	296,306	-	436,404
Severance	1	-	-	1
	$ 175,623	$ 299,020	$ -	$ 474,643

BC Projects

Harrison (Abo) Project

The 2427 ha property is situated 5 kilometers north of Harrison Hot Springs, B.C. One claim. Hot 4, is subject to a 2% NSR.

On November 17, 2011, the Company completed an option agreement whereby Sierra Madre Developments Inc. ("Sierra") can earn a 100% interest in the property by making exploration expenditures of $3,000,000 and completing payments of 4,000,000 shares and $1,000,000 cash over a five year period. The Property is subject to a 2% Net Smelter Return Royalty payable to the Company. Sierra Madre has the right to purchase 1% of the Royalty at any time for the sum of $1,000,000 in cash. Payments are due as follows:

Cash Payments	Share Payments	Exploration Expenditures	Due Date
$ 25,000	-	$ -	On execution date (received)
25,000	200,000	-	December 5, 2011 (received)

6. Exploration and Evaluation Assets - continued

Cash Payments	Share Payments	Exploration Expenditures	Due Date
50,000	300,000	100,000	December 5, 2012
100,000	500,000	150,000	December 5, 2013
100,000	500,000	250,000	December 5, 2014
200,000	1,000,000	1,000,000	December 5, 2015
500,000	1,500,000	1,500,000	December 5, 2016
$1,000,000	4,000,000	$ 3,000,000	

Sully Project
On March 21, 2012 Omineca entered into a formal agreement (subject to regulatory approval) to acquire all issued and outstanding shares of Gravitas Metals Corp. ("Gravitas"), a private British Columbia Corporation. The primary asset held by Gravitas is the option to earn an 80% interest in the Sully group of claims, located near Fort Steele in southeastern British Columbia. Terms of the agreement required Omineca to complete either a 1500m drilling program or make $400,000 in exploration expenditures by June 30, 2012 (completed), issue to Gravitas 10 million voting-class common shares prior to March 21, 2013 and assume the underlying option agreement on the Sully Property.

On September 19, 2012, Omineca delivered formal notice to Gravitas terminating the agreement. All costs incurred have been written off.

Yukon Projects
Kiwi Project
Omineca has an unencumbered 100% interest in the Kiwi property located 70 km northeast of Ross River, in the central Yukon. The claims consist of 32 claims located 25km west of the North Canol Road.113 new claims were staked in the summer of 2011 to increase the property holdings.

Severance Project
The property, located in the west-central Yukon, was originally acquired through an option agreement whereby a 2% Net Smelter Royalty is reserved for the vendor, 4763 NWT Ltd., half of which may be purchased at any time for $1,000,000. The Company has also agreed to reserve for the vendor 25% of the proceeds from any subsequent third-party sale or option of the claims, to a maximum of $100,000.

On March 21, 2007, an option agreement was executed with Northern Freegold Resources Ltd. ("NFR"; which has common directors with the Company) whereby NFR may earn a 100% interest (less 3% NSR, of which 2% may be purchased for $1,500,000) in the Severance Property, by making cash payments totaling $37,500 and issuing 225,000 common shares (received). Under the agreement, NFR also agreed to:

(a) assume Omineca's obligation to pay to 4763 NWT Ltd. a 2% Net Smelter Royalty on all mineral production from the Severance Property,
(b) pay to Omineca a 1% Net Smelter Royalty following commercial production on the Severance Property.

The Company has the right to receive 500,000 shares of Northern Freegold Resources Ltd. following:
(a) the commencement of commercial production;
(b) Northern Freegold Resources Ltd.'s transfer of its interest in the Severance Property without Omineca's consent; or
(c) the sale, transfer, conveyance or other disposition of a control interest in Northern Freegold Resources Ltd. (control interest being an interest allowing a holder to direct or cause the direction of the management and policies of Northern Freegold).

The Company is obligated to transfer 25% of the 500,000 shares, to a maximum value of $28,750 (paid), it receives from Northern Freegold Resources Ltd. referred to above to 4763 NWT Ltd. upon its receipt of same. On January 25, 2012, NFR executed an agreement to grant the Company 500,000 shares to facilitate the optioning out of the property. The shares are subject to escrow, with the following release dates: 125,000 issued

6. Exploration and Evaluation Assets - continued

on January 25, 2012 (received); 125,000 on May 16, 2012 (received); 125,000 on November 16, 2012 (received subsequent to quarter) and 125,000 on May 16, 2013.

7. Equity Instruments

a) Authorized
Unlimited number of common shares without nominal or par value.

Unlimited number of first and second preference shares without nominal or par value, with the rights, privileges and conditions thereof determined by the directors of the Company at the time of issuance.

b) Issued and outstanding

Common Shares - 2012	Number of shares	Amount	Contributed Surplus
Balance, January 1, 2012	18,024,838	$ 5,766,550	$ 371,823
Share-based payments		-	1,940
Share issue costs		(9,996)	-
Balance, March 31, 2012	18,024,838	5,756,554	373,763
Balance, June 30, 2012	18,024,838	5,756,554	373,763
Share issue costs refunded		250	-
Balance, September 30, 2012	**18,024,838**	**$ 5,756,804**	**$ 373,763**

Common Shares - 2011	Number of shares	Amount	Contributed Surplus
Balance, January 1, 2011		$ -	$4,436,112
On incorporation, March 15, 2011		1	-
Balance, March 31, 2011		1	4,436,112
Continuity of interest (Plan of Arrangement)		2,155,037	(4,436,112)
Share-based payments		-	373,763
Shares issued per Plan of Arrangement	15,917,744	3,301,118	-
Balance, June 30, 2011	15,917,744	5,456,156	373,763
Share-based payments		-	(5,820)
Balance, September 30, 2011	15,917,744	$ 5,456,156	$ 367,943

2011 share issuance
In the second quarter, the Company issued 15,917,774 shares to shareholders of Eagle Plains Resources Ltd. upon completion of the Plan of Arrangement.

c) Stock Option Plan
The Company has a stock option plan for employees, directors, officers and consultants. Stock options can be issued up to a maximum number of common shares equal to 10% of the issued and outstanding common shares of the Company. The exercise price and vesting period of options granted is not less than the market price of the common shares traded less the available discount under TSX Venture Exchange Inc. policies, and is determined by the Board of Directors. Options granted can have a term of up to 10 years.

7. Equity Instruments - continued

As at September 30, 2012, the Company has the following stock options outstanding:

Total issued and outstanding	Number of Options	Option Price per Share Range	Weighted Average Exercise Price
Balance, January 1, 2012 and September 30, 2012	**1,380,000**	**$0.40**	**$0.40**

As at September 30, 2012, the following table summarizes information about stock options outstanding:

Options outstanding	Option price	Weighted Average Exercise Price	Expiry Date	Number of Options Currently Exercisable	Weighted Average Exercise Price of Options Currently Exercisable
1,380,000	**$0.40**	**$0.40**	**Jun 8, 2016**	**1,380,000**	**$0.40**

At September 30, 2011, the Company had the following stock options outstanding:

Total issued and outstanding	Number of Options	Option Price per Share Range	Weighted Average Exercise Price
Balance, January 1, 2011	-	-	-
Options issued	1,445,000	$0.40	$0.40
Options cancelled	(10,000)	($0.40)	($0.40)
Balance, September 30, 2011	1,435,000	$0.40	$0.40

As at September 30, 2011, the following table summarizes information about stock options outstanding:

Options outstanding	Option price	Weighted Average Exercise Price	Expiry Date	Number of Options Currently Exercisable	Weighted Average Exercise Price of Options Currently Exercisable
1,435,000	$0.40	$0.40	Jun 8, 2016	1,420,000	$0.40

d) Compensation expense for share options

In the quarter, nil (2011 – ($5,820)) has been recorded as stock based compensation related to options vested during the period. As at September 30, 2012, $1,940 (2011 – $367,943) has been recorded as stock based compensation related to options vested during the year. Compensation expense has been determined based on the estimated fair value of the options at the grant dates and amortized over the vesting period. The Company valued the options issued using the Black-Scholes model with the following weighted average assumptions:

Weighted average assumptions:	2012	2011
Expected annual volatility	-	142.09%
Expected risk free rate	-	2.30%
Expected term	-	5 yrs

7. Equity Instruments - continued

Weighted average assumptions:	2012	2011
Expected dividends	-	Nil
Fair value	-	$0.26

e) Warrants outstanding

At September 30, 2012, the Company has the following share purchase warrants outstanding:

	Number	Price
Balance, January 1, 2012 and September 30, 2012	**1,053,547**	**$0.30**

At September 30, 2012, the following table summarizes information about warrants outstanding:

Warrants outstanding	Exercise price	Expiry Date
1,053,547	**$0.30**	**Dec 15, 2013**

At September 30, 2011, the Company had no share purchase warrants outstanding.

8. Per Share Amounts

The calculation of per share amounts have been calculated based on the weighted average number of shares outstanding during the period ended September 30, 2012 of 18,024,838 (2011 – 15,917,744) shares.

The net effect of applying the treasury-stock method to the weighted average number of shares outstanding had an anti-dilutive effect for the period ended September 30, 2012.

9. Related Party Transactions

The Company was involved in the following related party transactions during the period and prior year period:

(a) The Company is related to Eagle Plains Resources Ltd. (“EPL”) and Terralogic Exploration Inc. (“TL”) through common directors. During the period the Company had the following transactions with the related companies:

	2012	2011
Administrative services provided by EPL	**$ 62,151**	$ 72,507
Exploration services provided by TL	**$ 39,157**	$ 270,467

At September 30, 2012, $8,079 (2011 - $29,525) is included in accounts payable.

(b) The Company is related to Yellowjacket Resources Ltd. (“YJK”) through common directors. During the quarter the Company had no transactions with the related company.

(c) Included in professional fees is $13,424 (2011 - $9,481) and included in share capital is $9,746 (2011 – nil) paid for legal fees to a law firm of which one of the directors, Darren Fach, is a partner.

9. Related Party Transactions - continued

Compensation to key management personnel in the period and prior year period:

	2012	2011
Consulting fees	**$86,799**	$34,275

(a) Included in administration expenses is $31,799 (2011 - $14,000) paid for accounting services to a director and officer of the Company. At September 30, 2012, $3,920 (2011 – $3,920) is included in accounts payable.

(b) Included in administration expenses is $45,000 (2011 - $20,275) paid for management services to a company owned by a director and officer of the Company.

(c) Included in administration expenses is $10,000 (2011 - nil) paid for consulting fees to a director and officer of the Company. At September 30, 2012, $960 (2011 –nil) is include in accounts payable.

All related party transactions in the normal course of business have been measured at the agreed upon exchange amounts, which is the amount of consideration established and agreed to by the related parties. Amounts due to/from the related parties are non-interest bearing, unsecured and have no fixed terms of repayment.

10. Commitments and Contingencies

At September 30, 2012, exploration expenditures of $379,277 have been completed to meet the renouncement requirements from the issuance of flow-through shares in the December 2011 financing. In conjunction with the financing, the Company recorded a flow-through premium liability of $63,213, of which $61,062 was allocated as other income corresponding to flow-through expenditures made as at June 30, 2012 and the balance of $2,151 is allocated as other income in the third quarter.

The Company has $3,500 in term deposits with a Canadian financial institution held as reclamation bonds. The Company has $50,753 in term deposits with a Canadian financial institution for the guarantee of business credit cards (note 5).

The Company has agreed to indemnify directors and officers under the bylaws of the Company to the extent permitted by law. The nature of the indemnifications prevent the Company from making a reasonable estimate of the maximum potential amount it could be required to pay to beneficiary of such indemnification agreement. The Company has purchased various insurance policies to reduce the risks association with such indemnification.

11. Financial Instruments

For disclosure purposes, all financial instruments measured at fair value are categorized into one of three hierarchy levels, described below. Each level is based on the transparency of the inputs used to measure the fair values of assets and liabilities:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

11. Financial Instruments - continued

The following table sets forth the Company's financial assets measured at fair value by level within the fair value hierarchy.

September 30, 2012	Level 1	Level 2	Level 3	Total
Assets:				
Cash and cash equivalents	$ 2,116,625	$ -	$ -	$ 2,116,625
Investments	165,282	29,064	-	194,346

September 30, 2011	Level 1	Level 2	Level 3	Total
Assets:				
Cash and cash equivalents	$ 2,592,767	$ -	$ -	$ 2,592,767
Investments	85,124	20,000	-	105,124

The Company holds various forms of financial instruments. The nature of these instruments and the Company's operations expose the Company to concentration risk, credit risk, currency risk, price risk and commodity price risk. The Company manages its exposure to these risks by operating in a manner that minimizes its exposure to the extent practical.

a) Concentration risk
At September 30, 2012, substantially all of the Company's cash was held at two recognized Canadian National financial institutions. As a result, the Company was exposed to all of the risks associated with those institutions.

b) Credit risk
The Company is exposed to credit risk, which is the risk that a customer or counterparty will fail to perform an obligation or settle a liability, resulting in financial loss to the Company. The Company manages exposure to credit risk by adopting credit risk guidelines that limit transactions according to counterparty credit worthiness. The maximum credit exposure associated with accounts receivable is the carrying value.

c) Currency risk
Currency risk is the risk to the Company's operations that arise from fluctuations of foreign exchange rates and the degree of volatility of these rates. The Company does not use derivative instruments to reduce its exposure to foreign currency risk. As at September 30, 2012, the Company has no monetary assets or liabilities in foreign currencies.

d) Price risk
The Company's investments designated as available-for-sale are traded on the TSX Venture Exchange. A 1% change in the quoted share price would change the fair value of the investments by approximately $1,500. The change would be recorded in Accumulated Other Comprehensive Income.

e) Commodity price risk
The value of the Company's exploration and evaluation resource properties is related to the price of various commodities and the outlook for them. Commodity prices have historically fluctuated widely and are affected by numerous factors outside of the Company's control, including, but not limited to, industrial retail demand, central bank lending, forward sales by producers and speculators, level of worldwide production and short-term changes in supply and demand.

12. Statement of Cash Flows

Non-cash investing activities:

Pursuant to certain mineral property option agreements, the Company received 500,000 (2011 – nil) common shares with an attributed value of $134,202 (2011 - nil).

At September 30, 2012, the Company held cashable term deposits bearing interest rates of 1.10% to 1.30% (2011 - 0.90 to 1.20%) with maturity terms of October 2, 2012 to November 16, 2012 (2011 – October 3, 2011 to December 5, 2011). All of these investments are cashable before maturity and have been treated as cash equivalents.

13. Capital Management

The Company includes cash and cash equivalents and equity, comprising of issued common shares, contributed surplus and deficit, in the definition of capital. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of exploration and evaluation properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

The properties in which the Company currently has an interest are in the exploration stage; as such the Company is dependent upon external financings to fund activities. In order to carry out planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional funds as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the period ended September 30, 2012. The Company is not subject to externally imposed capital requirements.

14. Accumulated Other Comprehensive Loss

No deferred income tax asset has been recorded as a result of the accumulated other comprehensive loss. The balance of accumulated other comprehensive loss is entirely comprised of unrealized gains and losses on available-for-sale investments.

15. Subsequent Events

On October 5, 2012, Omineca announced that an arm's length Letter of Intent ("LOI") dated September 18th, 2012, (with an effective date of October 4th, 2012) was executed whereby Omineca has the exclusive right to acquire all issued and outstanding shares of CVG Mining Ltd., a private British Columbia corporation ("CVG"). The primary asset held by CVG is its 100% interest in the Wingdam Gold Project located along Lightning Creek near the Wells-Barkerville area of central British Columbia, 45 km east of Quesnel.

Under terms of the proposed Agreement, Omineca will issue 47,471,548 common shares at a deemed price of $.35/share, representing a purchase price of $16,615,041 and issue a $5,400,000 convertible debenture in connection with the assumption by Omineca of certain debt related to the property. Coincident with the proposed transaction will be the appointments of Mr. Tom MacNeill CGA, CFA and Mr. Andrew Davidson, CA to the Board of Omineca, joining the current Board of Directors.

15. Subsequent Events - continued

Completion of the transaction is subject to a number of conditions, including TSX Venture Exchange acceptance and disinterested Shareholder approval. The transaction cannot close until the required Shareholder approval is obtained. There can be no assurance that the transaction will be completed as proposed or at all.