Condensed Interim Consolidated Financial Statements

June 30, 2013

3MV ENERGY

Consolidated Statements of Financial Position

As at:

Canadian Dollars *Unaudited*	Notes	June 30, 2013 $	December 31, 2012 $
ASSETS			
Current assets			
Cash and cash equivalents		**274,617**	**781,877**
Accounts receivable		**211,307**	**265,424**
Prepaid expenses and deposits		**111,406**	**194,887**
		597,330	**1,242,188**
Non-current assets			
Property and equipment	5	**16,542,304**	**16,756,652**
Exploration and evaluation assets	6	**2,924,080**	**870,394**
		19,466,384	**17,627,046**
Total Assets		**20,063,714**	**18,869,234**
LIABILITIES			
Current liabilities			
Accounts payable and accruals		**4,477,464**	**5,441,724**
Operating loans	7	**500,000**	**500,000**
		4,977,464	**5,941,724**
Non-current liabilities			
Long term liability		**220,175**	**489,278**
Convertible debenture	8	**2,850,141**	**938,805**
Flow through premium liability		**-**	**2,997**
Decommissioning liabilities		**1,867,373**	**1,984,488**
		4,937,689	**3,415,568**
SHAREHOLDERS' EQUITY			
Share capital	9	**28,916,413**	**27,540,619**
Equity component of convertible debenture	8	**109,069**	**36,108**
Contributed surplus		**1,815,103**	**1,111,087**
Warrants	9	**532,846**	**475,094**
Deficit		**(21,224,870)**	**(19,650,966)**
		10,148,561	**9,511,942**
Total Liabilities and Shareholders' Equity		**20,063,714**	**18,869,234**
Going Concern	2		

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

Consolidated Statements of Comprehensive Loss

Canadian dollars *Unaudited*	Notes	Three months ended June 30, 2013 $	 June 30, 2012 $	Six months ended June 30, 2013 $	 June 30, 2012 $
Oil and natural gas revenues		**777,583**	1,079,333	**1,313,137**	2,509,343
Royalties		**(39,735)**	(131,919)	**(92,486)**	(292,299)
Total revenue, net of royalties		**737,848**	947,414	**1,220,651**	2,217,044
Production and operating		**287,984**	506,635	**588,556**	1,016,915
General and administrative		**324,417**	918,469	**654,894**	1,362,725
Share based compensation	10	**23,556**	223,329	**704,016**	404,350
Depletion and depreciation		**352,134**	484,852	**629,595**	1,046,355
Transaction and share listing expense	4	**-**	-	**-**	1,745,020
Loss from operations		**(250,243)**	(1,185,871)	**(1,356,410)**	(3,358,321)
Interest and other income		**61**	1,224	**819**	1,224
Finance costs		**(143,992)**	(153,128)	**(247,272)**	(192,574)
Loss before income tax		**(394,174)**	(1,337,775)	**(1,602,863)**	(3,549,671)
Income tax (expense) recovery- current		**-**	(8,000)	**-**	(8,000)
Income tax (expense) recovery- deferred		**-**	39,467	**28,959**	111,277
Total comprehensive loss		**(394,174)**	(1,306,308)	**(1,573,904)**	(3,446,394)
Loss per share					
Basic and diluted	11	**(0.01)**	(0.09)	**(0.03)**	(0.28)

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

Consolidated Statements of Changes in Shareholders' Equity

Canadian dollars Unaudited	Number of shares outstanding #	Share capital $	Warrants $	Equity component of convertible debenture $	Contributed Surplus $	Deficit $	Total Shareholders' equity $
As at December 31, 2011	**6,553,920**	**18,551,791**	**168,208**	**-**	**400,007**	**(14,973,752)**	**4,146,254**
Shares exchanged on reverse takeover	(6,553,920)	-	-	-	-	-	-
Existing shares of Noravena Capital	6,500,010	-	-	-	-	-	-
Shares issued to shareholders of 3MV Energy Inc. upon reverse takeover	132,848,050	1,619,324	-	-	-	-	1,619,324
Shares issued to Agents of Noravena upon reverse takeover	540,540	100,000	-	-	-	-	100,000
Ten for one share consolidation	(125,899,740)	-	-	-	-	-	-
Share based payments					404,350		404,350
Total comprehensive loss for the period						(3,446,394)	(3,446,394)
As at June 30, 2012	**13,988,860**	**20,715,115**	**168,208**	**-**	**804,357**	**(18,420,146)**	**2,823,534**
As at December 31, 2012	**45,439,169**	**27,540,619**	**475,094**	**36,108**	**1,111,087**	**(19,650,966)**	**9,511,942**
Shares issued for debt outstanding	5,575,233	1,333,500	55,752	-	-	-	1,389,252
Non-brokered private placements	203,000	42,294	2,000	-	-	-	44,294
Equity component of convertible debenture issued February 21, 2013	-	-	-	72,961	-	-	72,961
Share based payment	-	-	-	-	704,016	-	704,016
Total comprehensive loss for the period	-	-	-	-	-	(1,573,904)	(1,573,904)
As at June 30, 2013	**51,217,402**	**28,916,413**	**532,846**	**109,069**	**1,815,103**	**(21,224,870)**	**10,148,561**

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

Consolidated Statements of Cash Flows

Canadian dollars Unaudited	Note	Six months ended June 30, 2013 $	June 30, 2012 $
Cash provided by (used for) the following activities			
Operating activities			
Loss for the period		**(1,573,904)**	(3,446,394)
Add (deduct):			
Depletion and depreciation	5	**629,595**	1,046,355
Accretion of decommissioning liabilities		**21,530**	21,756
Accretion of convertible debenture		**28,867**	-
Share listing expense		**-**	1,544,152
Share-based payments	10	**704,016**	404,350
Deferred tax recovery		**(28,959)**	(111,277)
Change in non-cash working capital	12	**198,929**	595,530
Cash from operating activities		**(19,926)**	54,472
Investing activities			
Purchase of property and equipment	5	**(553,892)**	(3,344,737)
Purchase of exploration and evaluation	6	**(2,053,686)**	(631,480)
Proceeds from reverse take over		**-**	139,721
Change in non-cash working capital	12	**94,558**	(173,023)
Cash used in investing activities		**(2,513,020)**	(3,663,472)
Financing activities			
Proceeds from bank operating loans and credit facilities		**-**	4,430,000
Proceeds from issuance of convertible debenture, net of issue costs	8	**1,981,392**	-
Issuance of common shares	9	**44,294**	-
Change in bank indebtedness		**-**	(104,004)
Cash from financing activities		**2,025,686**	4,325,996
Increase (decrease) in cash and cash equivalents		**(507,260)**	716,996
Cash and cash equivalents, beginning of period		**781,877**	15,021
Cash and cash equivalents, end of period		**274,617**	732,017

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

Notes to the Condensed Interim Consolidated Financial Statements

(unaudited)

For the three and six month periods ended June 30, 2013 and June 30, 2012

1. Reporting entity

On January 29, 2012 3MV Energy Inc. (“3MV Inc.”) and Noravena Capital Corporation (“Noravena”), a capital pool company completed an Amalgamation Agreement (the “Amalgamation”) in which each 3MV Inc. share was acquired by Noravena, and each holder thereof was entitled to receive from Noravena the consideration comprised of such number of Noravena shares as determined in accordance with the exchange ratio as agreed upon by both Noravena and 3MV Inc. (“The Noravena Ratio”). The Noravena Ratio was 20.27 Noravena shares for each 3MV Inc. share through which the 3MV Inc. shareholders acquired a majority share of Noravena. Immediately following the transaction was a ten for one share consolidation resulting in the final share exchange ratio of 2.027. The consolidated financial statements are in the name of 3MV Energy Corp. (formerly Noravena), and are a continuation of the consolidated financial statements of 3MV Inc. Additional information on the Arrangement is available in note 4.

2. Basis of preparation

Statement of compliance

These condensed interim consolidated financial statements for the three months ended June 30, 2013 are unaudited and have been prepared in accordance with International Accounting Standard (“IAS”) 34 – “Interim Financial Reporting” and do not include all of the information required for full annual financial statements.

The condensed interim consolidated financial statements should be read in conjunction with the Corporation’s annual audited financial statements for the year ended December 31, 2012.

The condensed interim consolidated financial statements were approved and authorized for issue by the Board of Directors on August 23, 2013.

Going concern

For the six months ended June 30, 2013, the Corporation reported a net loss of $1.6 million and has a working capital deficiency of $4.4 million at June 30, 2013. The Corporation continues its efforts to raise equity and diminish accounts payable. These conditions create a material uncertainty that may cast significant doubt about the Corporation’s ability to continue as a going concern. Additional equity and/or debt arrangements are needed to meet the Corporation’s business objectives. There are no guarantees that such additional capital funding will be available when needed.

These condensed interim consolidated financial statements have been prepared on a going concern basis, which contemplates the realization of assets and settlement of liabilities and commitments in the normal course of business and does not reflect adjustments that would otherwise be necessary if the going concern assumption was not valid. Management believes that the going concern assumption is appropriate for these financial statements.

2. Basis of preparation (continued)

Going concern

If this assumption were not appropriate, adjustments to the carrying amounts of assets and liabilities, and expenses and the statement of financial position classifications used may be necessary.

3. Summary of significant accounting policies and disclosures

Accounting policies and disclosures

In preparing these condensed interim consolidated financial statements, the accounting policies, methods of computation and significant judgments made by management in applying the Company's accounting policies and key sources of estimation uncertainty were the same as those that applied to the audited consolidated financial statements as at and for the periods ended December 31, 2012 and December 31, 2011 except as disclosed below.

On January 1, 2013, the Company adopted new standards with respect to consolidations (IFRS 10), joint arrangements (IFRS 11), and disclosure of interests in other entities (IFRS 12), fair value measurements (IFRS 13) and amendments to financial instruments disclosures (IFRS 7). The adoption of these standards had no impact on the amounts recorded in the consolidated financial statements as at January 1, 2013 or on the comparative periods.

The following disclosures are incremental to those included with the annual audited consolidated financial statements. Certain disclosures that are normally required in the notes to the annual audited consolidated financial statements have been condensed or omitted.

Notes to the Condensed Interim Consolidated Financial Statements

(unaudited)

For the three and six month periods ended June 30, 2013 and June 30, 2012

4. Reverse takeover

On January 29, 2012, the Corporation closed the amalgamation between 3MV Inc. and Noravena. All of the issued and outstanding shares of 3MV Inc. were acquired on the basis of 20.27 pre-consolidation common shares of Noravena for each one common share of 3MV Inc. Following the transaction was a ten for one share consolidation resulting in the final share exchange ratio of 2.027. Noravena has changed its name to "3MV Energy Corp." and consolidated its common shares on the basis of one post consolidation common share for each ten pre-consolidation common shares. Following the amalgamation, 3MV Energy Corp. resumed trading on the TSX Venture under the trading symbol TMV.

The following summarizes the reverse takeover acquisition of Noravena by 3MV Inc. and the assets acquired and liabilities assumed:

Net assets acquired:	$
Cash	139,721
Accounts receivable	55,685
Accounts payable and accruals	(20,234)
	175,172
Consideration paid:	
Share capital	1,719,324
Share listing expense	(1,544,152)
	175,172

The total share capital amount included as consideration paid following the reverse takeover transaction was determined as a function of the 20.27 share exchange ratio and the total shares issued in 3MV Energy Corp. upon amalgamation. Following the ten for one share consolidation, 13.9 million shares were issued and outstanding in the amalgamated company. Of the 13.9 million shares, Noravena's original shares accounted for 5% of the amalgamated total ("the Amalgamation Ratio"). The Amalgamation Ratio was then applied to the combined fair market value of the net assets of the resulting issuer in order to determine the value of share capital consideration provided.
Included in the share capital amount of $1,719,324 are 54,054 shares valued at $100,000 which were issued to the agents of Noravena upon closing of the transaction.

As the acquisition was not considered a business combination, the excess of the fair value of the consideration over the net assets of $1,544,152 is included as an expense on the statement of comprehensive loss. In addition, the Corporation incurred $200,868 in cash transaction costs relating to the reverse takeover transaction, for a total transaction and share listing expense of $1,745,020.

Notes to the Condensed Interim Consolidated Financial Statements

(unaudited)

For the three and six month periods ended June 30, 2013 and June 30, 2012

5. Property and Equipment

	Petroleum and natural gas assets $	Corporate assets $	Total $
Cost:			
Balance at December 31, 2011	28,601,868	192,849	28,794,717
Additions	4,860,463	98,212	4,958,675
Dispositions	(1,158,695)	(43,439)	(1,202,134)
Transfers from exploration and evaluation assets	122,205	-	122,205
Change in decommissioning provisions	28,729	-	28,729
Acquisition of 1696074 Alberta Ltd.	1,069,329	-	1,069,329
Balance at December 31, 2012	33,523,899	247,622	33,771,521
Additions	553,892	-	553,892
Change in decommissioning provisions (i)	(138,645)	-	(138,645)
Balance at June 30, 2013	33,939,146	247,622	34,186,768
Accumulated depletion and depreciation and impairment loss:			
Balance at December 31, 2011	(17,015,241)	(37,327)	(17,052,568)
Depletion and depreciation for the period	(1,708,368)	(52,591)	(1,760,959)
Impairment of PPE	(1,436,793)	-	(1,436,793)
Reversal of impairment of PPE	2,482,769	-	2,482,769
Dispositions	751,608	1,074	752,682
Balance at December 31, 2012	(16,926,025)	(88,844)	(17,014,869)
Depletion and depreciation for period	(607,560)	(22,035)	(629,595)
Balance at June 30, 2013	(17,533,585)	(110,879)	(17,644,464)
Net book value:			
December 31, 2011	11,586,627	155,522	11,742,149
December 31, 2012	16,597,874	158,778	16,756,652
June 30, 2013	16,405,561	136,743	16,542,304

Future development costs on proved plus probable reserves totaling approximately $18,714,000 (December 31, 2012 - $19,075,000) are included in the depletion calculation.

(i) During the three month period ending June 30, 2013 the Corporation revised the risk free rate used to discount its decommissioning obligations from a weighted average of 2.34% to 2.80% resulting in a reduction of the liability and retirement cost of $106,855 (2012- $38,183).

Notes to the Condensed Interim Consolidated Financial Statements

(unaudited)

For the three and six month periods ended June 30, 2013 and June 30, 2012

6. Exploration and evaluation ("E&E") assets

	$
Balance at December 31, 2011	314,780
Additions	677,819
Transfers to property and equipment	(122,205)
Balance at December 31, 2012	870,394
Additions	2,053,686
Balance at June 30, 2013	**2,924,080**

E&E assets consist of the Corporation's capitalized seismic and land acquisition costs which are pending the determination of commercial viability. The Corporation assesses the recoverability of these assets both before and at the time of transfer to property and equipment within the Corporation's CGUs.

7. Operating loans

As at June 30, 2013, the Corporation had $500 thousand available in respect to a loan facility of which $500 thousand was drawn. The term of the loan facility is for one year expiring on December 21, 2013. In exchange for providing the Facility, the Corporation shall provide security in favor of the Lender over all the real property of the Corporation. Subsequent to the end of the period, the Corporation has informed the lender that it does not intend to make further draws on the facility. The Corporation is subject to a Debt to EBITDA ratio covenant (not to exceed 3.5:1). As at June 30, 2013 the Corporation's Debt to EBITDA ratio was 9.1:1; which is in excess of the allowable amount. The Corporation is also subject to an asset coverage ratio (total present value of assets to be a minimum of 1.65 times total debt). As at June 30, 2013 the Corporation's asset coverage ratio was 0.63:1; which is violation of the allowable amount. Finally, the Corporation is subject to an interest coverage ratio (minimum EBITDA of 2.5 times Interest payable). As at June 30, 2013 the Corporation's interest coverage ratio was 1.1:1; which is violation of the covenant. Subsequent to the end of the period, the Corporation obtained a waiver from the lender.

Notes to the Condensed Interim Consolidated Financial Statements

(unaudited)

For the three and six month periods ended June 30, 2013 and June 30, 2012

8. Convertible debentures

On February 21, 2013 the Corporation issued a $2,000,000 non-brokered private placement financing of convertible debentures to a director and major shareholder of the Corporation. The convertible loan offering consists of a convertible secured, interest-bearing debenture loan of $2,000,000. The term of the debenture is two years and incurs annual interest of 12%, payable monthly, with the Corporation having the privilege to re-pay all or any part of the principal amount without penalty upon giving thirty days' notice of repayment. The loan is convertible at any time until maturity into common shares of the Corporation at a conversion price of $0.27 per share.

The convertible debentures were determined to be compound instruments. As the debentures are convertible into common shares of the Corporation, the liability and equity components are presented separately. The initial carrying amount of the financial liability is determined by discounting the stream of future payments of interest and principal.

Using the residual method, the carrying amount of the conversion feature is the difference between the principal amount and the carrying value of the financial liability. The debentures, net of the equity component and issue costs are accreted using the effective interest rate method over the two year term of debentures, such that the carrying amount of the financial liability will equal the $2 million principal balance at maturity respectively.

	Proceeds $	Debt Component $	Equity Component $
Balance at December 31, 2011	-	-	-
Issue of convertible debenture	1,000,000	950,441	49,559
Issue costs	(15,408)	(14,644)	(764)
Deferred tax	-	-	(12,687)
Accretion	-	3,008	-
Balance at December 31, 2012	984,592	938,805	36,108
Issue of convertible debenture	2,000,000	1,900,148	99,852
Issue costs	(18,608)	(17,679)	(929)
Deferred tax	-	-	(25,962)
Accretion	-	28,867	-
Balance at June 30, 2013	2,965,984	2,850,141	109,069

Notes to the Condensed Interim Consolidated Financial Statements

(unaudited)

For the three and six month periods ended June 30, 2013 and June 30, 2012

9. Share capital

(a) Authorized

Common shares

Class A, unlimited, voting, no par value, subject to priority rights of any other class of shares.

(b) Issued

	Number of Shares	$
Balance at December 31, 2011	6,553,920	18,551,791
Shares exchanged on reverse takeover	(6,553,920)	-
Existing shares of Noravena Capital	6,500,010	-
Shares issued to shareholders of 3MV Energy Inc. upon reverse takeover	132,848,050	1,619,324
Shares issued to Agents of Noravena upon reverse takeover	540,540	100,000
Ten for one share consolidation	(125,899,740)	-
Shares issued on October 19, 2012	20,000,000	4,747,278
Non-brokered private placements	1,940,000	427,411
Flow through share premium	-	(2,997)
Shares issued for debt outstanding	5,910,209	1,382,137
Shares issued to shareholders of 1696074 Alberta Ltd. December 19, 2012	3,600,100	715,675
Balance at December 31, 2012	45,439,169	27,540,619
Shares issued for debt outstanding (i)	5,575,233	1,333,500
Non-brokered private placements (ii)	203,000	42,294
Balance at June 30, 2013	**51,217,402**	**28,916,413**

(i) On October 18, 2012, the Corporation announced its intention to settle trade debt by issuing common shares and units of the Corporation at a conversion price of $0.25 per unit. Each unit was comprised of one common share and one common share purchase warrant. Each warrant entitled the holder to purchase one additional common share of the Corporation at an exercise price of $0.50 per common share for a period of 18 months following the date of issuance. During the six months end June 30 2013, the Corporation converted $1,333,500 of accounts payable into 5,575,233 common shares and 5,575,233 warrants. The fair value of the warrants issued with the units was determined to be $55,752. Share issuance costs relating to the share for debt conversions totaled $4,557.

Notes to the Condensed Interim Consolidated Financial Statements

(unaudited)

For the three and six month periods ended June 30, 2013 and June 30, 2012

9. Share capital (continued)

(ii) During 2013, the Corporation closed a non-brokered private placement of 200,000 units at a price of $0.25 per Unit for gross proceeds of $50,000. Each unit was comprised of one common share and one common share purchase warrant ("warrant"). Each warrant entitles the holder to purchase one additional common share of the Corporation at an exercise price of $0.50 per common share for a period of 18 months following the date of issuance. The fair value of the warrants issued with the units was determined to be $2,000. Share issuance costs relating to the private placement totaled $5,706. The Corporation also issued 3,000 shares at a price of $0.25 as a finder's fee in relation to a private placement in 2012.

(c) Warrants

	# of Warrants	$
Balance at December 31, 2011	196,777	168,208
Warrants issued on October 19, 2012	20,000,000	200,000
Warrants issued with non-brokered private placements	1,940,000	19,400
Warrants issued with shares for debt outstanding	5,148,649	51,486
Warrants issued to shareholders of 1696074 Alberta Ltd. December 19, 2012	3,600,000	36,000
Balance at December 31, 2012	30,885,426	475,094
Warrants issued with non-brokered private placements (Note 9 (b) (ii))	200,000	2,000
Warrants issued with shares for debt outstanding (Note 9 (b) (i))	5,575,233	55,752
Balance at June 30, 2013	36,660,659	532,846

The fair value of the warrants issued during the period ended June 30, 2013 was estimated using a net asset value calculation of the Corporation as of June 30, 2013. The Corporation's calculation yielded the warrants within the units issued to be $0.01.

Notes to the Condensed Interim Consolidated Financial Statements
(unaudited)

For the three and six month periods ended June 30, 2013 and June 30, 2012

10. Share-based payments

On February 28, 2013, the Corporation granted 4,300,000 options. Of the options issued, 3,750,000 were granted to directors of the Corporation. The options have a term of five years and vest immediately at an exercise price of $0.25. The remaining 550,000 options granted to management and staff has a five year term and vest over a three year period starting on the first anniversary date of the grant at an exercise price of $0.25.

The number of options outstanding as at June 30, 2013 totaled 4,220,262 (December 31, 2012 – 557,902).

The fair value of the options was estimated using the Black-Scholes model with the following weighted average inputs:

		June 30, 2013	June 30, 2012
Fair value at grant date	$	0.17	1.28
Common share price	$	0.25	1.90
Exercise price	$	0.25	1.90
Volatility		86%	86%
Option life		5 years	5 years
Dividends		0%	0%
Risk-free interest rate		1.08%	0.89%
Forfeiture rate		6.40%	0%

This estimated forfeiture rate is adjusted to the actual forfeiture rate when each tranche vests. Share based compensation cost of $704,016 (June 30, 2012 – $404,350) was expensed during the six months ended June 30, 2013.

Stock Options	Weighted average exercise price $	Stock Options Outstanding
Balance December 31, 2011	1.85	924,314
Granted	1.90	476,000
Cancelled	1.89	(178,865)
Forfeited	1.87	(663,457)
Balance December 31, 2012	1.87	557,902
Granted	0.25	4,300,000
Forfeited	1.05	(637,640)
Balance at June 30, 2013	**0.34**	**4,220,262**

Notes to the Condensed Interim Consolidated Financial Statements

(unaudited)

For the three and six month periods ended June 30, 2013 and June 30, 2012

11. Earnings per share

Basic and diluted income (loss) per share

	Loss for the period $	Weighted average number of shares	Per share amount $
Three months ended June 30, 2013			
Basic and diluted	(394,174)	50,917,690	(0.01)
Six months ended June 30, 2013			
Basic and diluted	(1,573,904)	49,675,169	(0.03)
Three months ended June 30, 2012			
Basic and diluted	(1,306,308)	13,988,860	(0.09)
Six months ended June 30, 2012			
Basic and diluted	(3,446,394)	12,270,756	(0.28)

The effect of warrants and stock options outstanding on loss per share for the three and six month period ended June 30, 2013 is anti-dilutive.

12. Supplemental cash flow information

Changes in non-cash working capital from operating activities is comprised of:

Six months ended	June 30, 2013 $	June 30, 2012 $
Source (use) of cash:		
Trade and other receivables	54,117	862,645
Prepaid expenses and deposits	83,481	15,260
Trade and other payables	61,331	(282,375)
Change in non-cash working capital	198,929	595,530

Changes in non-cash working capital from investing activities is comprised of:

Six months ended	June 30, 2013 $	June 30, 2012 $
Source (use) of cash:		
Trade and other payables	94,558	173,023
Change in non-cash working capital	94,558	173,023

Notes to the Condensed Interim Consolidated Financial Statements
(unaudited)

For the three and six month periods ended June 30, 2013 and June 30, 2012

13. Related party transactions

The consolidated financial statements include the financial statements of 3MV Energy Corp. and its subsidiaries listed in the following table:

Name	Country of incorporation	% ownership interest June 30, 2013	December 31, 2012
3MV Energy Operations Inc.	Canada	100%	100%
1696704 Alberta Ltd.	Canada	100%	100%
3 Martini Ventures Inc.	Canada	100%	100%
Buckhorn Resource Ltd.	Canada	100%	100%

Balances and transactions between 3MV Energy Corp. and its subsidiaries have been eliminated on consolidation and are not disclosed in this note.

During the six month period ended June 30, 2013, the Corporation incurred $136,953 in costs relating to legal services paid to a firm which is controlled by a director of the Corporation.

During the six month period end June 30, 2013 the Corporation issued a $2,000,000 non-brokered private placement financing of convertible debentures to a director and major shareholder of the Corporation.