Management's Discussion and Analysis

Third Quarter, 2012

September 30, 2012

3MV ENERGY

*The following Management's Discussion and Analysis ("**MD&A**") as provided by the management of 3MV Energy Corp. ("**3MV Energy**", or the "**Corporation**") formerly Noravena Capital Corporation ("**Noravena**") reports on the financial condition and the results of operations for the three and nine month periods ended September 30, 2012 and October 31, 2011 and should be read in conjunction with the December 31, 2011 and April 30, 2011 audited consolidated financial statements and notes thereto. The audited financial statements for the period ended December 31, 2011 have been prepared in accordance with International Financial Reporting Standards ("IFRS"). All financial measures are expressed in Canadian dollars unless otherwise indicated. This commentary is based on the information available as at and is dated November 28, 2012.*

Description of the Company

3MV Energy Corp. ("3MV Energy") is the corporation resulting from the 3-cornered amalgamation (the "Amalgamation") of 3MV Energy Inc., Noravena Capital Corporation ("Noravena"), a capital pool company listed on the TSX Venture Exchange and Noravena's wholly owned subsidiary Noravena Acquisition Corporation, completed on January 29, 2012. Noravena issued 20.27 shares for each 3MV Energy Inc. share then consolidated its shares one for ten (1:10) and changed its name to "3MV Energy Corp." 3MV Energy is based in Calgary and engaged in the exploration, development, production and acquisition of petroleum and natural gas reserves in Western Canada primarily Saskatchewan. The address of the registered office is #250, 305-10 Ave SE Calgary, Alberta T2G 0W2.

3MV Energy Inc. was a corporation resulting from the prior merger of Seawall Energy Management Corp. ("Seawall") and 3 Martini Ventures Inc. ("3M Ventures"). Seawall was incorporated under the Business Corporation Act (Alberta) on March 4, 2010. On September 1, 2011 Seawall changed its name to "3MV Energy Inc." 3M Ventures was incorporated under the Business Corporations Act (Alberta) on March 31, 2008. 3M Ventures had a wholly owned subsidiary, Buckhorn Resources Ltd. On June 30, 2011 Seawall and 3M Ventures completed a Plan of Arrangement (the "Arrangement") in which each 3M Ventures share was transferred to Seawall, and each holder received 3.63 Seawall Shares for each 3M Ventures Class A Share and 1.815 Seawall shares for each 3M Ventures Class B Share. 3M Ventures shareholders acquired a majority share of Seawall. For accounting purposes, 3M Ventures was considered the acquirer and Seawall the acquiree. In accordance with IFRS 3, the consolidated financial statements in the name of 3MV Energy Inc. (formerly Seawall Energy Management Corp.), are however a continuation of the consolidated financial statements of 3M Ventures, the accounting acquirer.

As noted above, on January 29, 2012 3MV Energy Inc. and Noravena completed the Amalgamation in which each 3MV Energy Inc. share was acquired by Noravena, and each holder received Noravena shares for 3MV Energy Inc. shares. 3MV Energy Inc. shareholders acquired a majority share of Noravena. 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 Energy Inc.

Basis of Presentation

On February 23, 2012, 3MV Energy filed notice as required to change its yearend. As such the Corporation's year-end has been changed from April 30 to December 31 in order to be consistent with peer companies. Notice of this change can be viewed on the SEDAR web site at www.sedar.com. The condensed consolidated interim financial statements and comparative information have been prepared in accordance with IFRS. For a summary of the Corporation's detailed accounting policies, refer to notes 3 and 4 of the Corporation's December 31, 2011 consolidated financial statements. The following MD&A compares the results of the three and nine months ended September 30, 2012 to the three and nine months ended October 31, 2011. The term "Q3 2012" or similar terms are used throughout this document and refer to the three month period ended September 30, 2012.

Forward-Looking Information

This document contains forward-looking statements. More particularly, this document contains statements concerning the anticipated exploration and development activities of the Corporation.

The forward-looking statements contained in this document are based on certain key expectations and assumptions made by the Corporation, including expectations and assumptions concerning the application of regulatory regimes, prevailing commodity prices and exchange rates, availability and cost of labour and services, the timing and receipt of regulatory approvals, the performance of existing wells, the success obtained in drilling new wells, the performance of new wells and the sufficiency of budgeted capital expenditures in carrying out planned activities.

Although 3MV Energy believes that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements as the Corporation can give no assurance that they will prove to be correct. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks.

Such factors include, but are not limited to: the risks associated with the oil and gas industry in general (e.g., operational risks in development, exploration and production; delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of reserve estimates; the uncertainty of estimates and projections relating to production, costs and expenses; health and safety and environmental risks; commodity price and exchange rate fluctuations; uncertainties resulting from potential delays or changes in plans with respect to exploration or development projects or capital expenditures; regulatory risks including royalty regimes; and financial liquidity risks).

Forward-looking statements contained in this document are made as of the date hereof and 3MV Energy undertakes no obligation to update or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.

BOE Conversion

Where amounts are expressed on a barrel of oil equivalent (“boe”) basis, natural gas volumes have been converted to boe using a ratio of six thousand cubic feet (“Mcf”) of natural gas to one barrel of oil equivalent. This conversion ratio is based upon an industry standard energy equivalent conversion method primarily applicable at the burner tip and does not represent value equivalence at the wellhead. Boe figures may be misleading, particularly if used in isolation.

Non-IFRS Measurements

Certain financial measures referred to in this MD&A, such as funds generated from operations, are not prescribed by IFRS. Funds generated from operations is calculated based on cash flows from operating activities before changes in non-cash working capital, transaction costs and decommissioning provision expenditures incurred. 3MV Energy uses funds generated from operations to analyze operating performance and leverage, and considers funds generated from operations to be a key measure as it demonstrates the Corporation’s ability to generate cash necessary to fund future capital investments and repay debt.

This MD&A also contains other industry benchmarks and terms, such as working capital (deficiency) (calculated as current assets less current liabilities) and operating netbacks (calculated on a per unit basis as oil, gas and natural gas liquids revenues, less royalties, transportation and operating costs), which are not recognized measures under IFRS. Management believes that in addition to net income and cash flow from operating activities, working capital, and operating netbacks are useful supplemental measures as they provide an indication of 3MV Energy’s operating performance, leverage and liquidity. Investors should be cautioned, however, that these measures should not be construed as an alternative to both net income and cash flow from operating activities, which are determined in accordance with IFRS, as indicators of 3MV Energy’s performance.

Results of Operations

Production

	Three months ended			Nine months ended		
	September 30 2012	October 31, 2011	Change %	September 30 2012	October 31, 2011	Change %
Daily Production:						
Light crude oil (bbls/d)	**103.6**	127.7	(18.9%)	143.3	133.2	7.6%
Natural gas (Mcf/d)	**309.1**	375.7	(17.7%)	250.0	289.0	(13.5%)
Natural gas liquids (bbls/d)	**7.0**	8.5	(17.4%)	5.8	5.3	8.8%
Total boe/d (6:1)	**162.1**	198.8	(18.5%)	190.7	186.6	2.2%

Production in Q3 2012 was 162.1 boe/d which represents an 18.5 percent decrease over the three month period ended October 31, 2011, in which the Corporation produced 198.8 boe/d. Production in the nine month period ended September 30, 2012 was 190.7 boe/d which represents a 2.2% increase over the nine month period ended October 31, 2011, in which the Corporation produced 186.6 boe/d. The increase in production was a result of 3MV Energy's drilling program in the Fiske area in the winter of 2011 and early 2012, which produced higher than average initial production rates compared to historical results in the Dodsland area. 3MV drilled 1 gross (1 net) well in Q1 2012 which was located in the Corporation's Fiske Oil Discovery area and no drilling took place in Q2 or Q3 2012.

Production for the quarter ended September 30, 2012 was comprised of 110.6 bbls/d of light crude oil and natural gas liquids ("NGLs") and 309.1 thousand cubic feet per day ("Mcf/d") of natural gas. 3MV Energy's product volume mix during the quarter ended September 30, 2012 was 68 percent oil and NGLs and 32 percent natural gas compared to 69 percent oil and NGLs and 31 percent natural gas in three month period ended October 31, 2011. Production in the nine month period ended September 30, 2012 was comprised of 149.1 bbls/d of light crude oil and NGLs and 250 Mcf/d of natural gas. 3MV Energy's product volume mix during the nine month period ended September 30, 2012 was 78 percent oil and NGLs and 22 percent natural gas in the nine month period ended September 30, 2012 compared to 74 percent oil and NGLs and 26 percent natural gas in the nine month period ended October 31, 2011.

Commodity Markets

3MV's realized price for its light crude oil and NGLs in the third quarter of 2012 was $77.85/bbl (three month period ended October 31, 2011 – $87.99/bbl) compared to an Edmonton Light Sweet par price of $84.33/bbl (three month period ended October 31, 2011 – $91.04/bbl).

During the three-month period ended September 30, 2012, the Corporations' benchmark crude oil price fell 7.4% from the same period last year. The Corporation experienced a reduction in its realized price for light crude oil over the course of fiscal year due to widening crude oil differentials caused by capacity constraints in the refining market due to increased supply in the area. 3MV Energy's production is sold in Canada and is sensitive to world crude oil price variations.

3MV realized a gas price of $1.43/mcf for Q3 2012 compared to $2.99/mcf in the three month period ended October 31, 2011. In the current quarter the Corporation's realized gas price was skewed downwards as a result of production adjustments from prior period months. It should be noted the gas revenue currently earned is insignificant to total revenues of the Corporation. With this situation excluded, the realized price per mcf is consistent with the realized amount compared to the benchmark for the year. The Corporation's current natural gas production is associated gas from oil production.

	Three months ended			Nine months ended		
	September 30, 2012	October 31, 2011	Change %	September 30, 2012	October 31, 2011	Change %
Average Benchmark Prices						
Crude oil – Edmonton Light Sweet ($ per bbl)	**84.33**	91.04	(7.4%)	**86.81**	95.34	(8.9%)
Natural gas – AECO-C Spot ($ per mcf)	**2.19**	3.63	(39.6%)	**2.18**	3.72	(41.4%)
3MV`s Average Realized Prices						
Crude oil and natural gas liquids ($ per bbl)	**77.85**	87.99	(11.5%)	**79.08**	90.62	(12.7%)
Natural gas ($ per mcf)	**1.43**	2.99	(55.0%)	**1.64**	3.32	(50.7%)

Revenues

For the quarter ended September 30, 2012, 3MV Energy's revenues decreased 31 percent to $0.8 million from $1.2 million for the three months ended October 31, 2011. The decrease in revenue, period over period, is a result of a 19 percent decrease in total production in concert with a lower price realized. For the nine month period ended September 30, 2012, 3MV Energy's revenues decreased slightly to $3.3 million when compared to the nine month period ended October 31, 2011.

	Three months ended			Nine months ended		
$	September 30, 2012	October 31, 2011	Change %	September 30, 2012	October 31, 2011	Change %
Revenues by product						
Light crude oil	**762,831**	1,051,009	(27%)	**3,153,950**	3,357,011	(6%)
Natural gas	**40,787**	103,201	(60%)	**112,093**	262,946	(57%)
Natural gas liquids	**29,135**	51,573	(44%)	**76,052**	83,051	(8%)
Total revenues	**832,753**	1,205,783	(31%)	**3,342,095**	3,703,008	(10%)
Total revenues per boe	**55.84**	65.92	(15%)	**63.95**	72.70	(12%)

Royalties

Royalty payments are made to the owners of the mineral rights on leases, which include provincial governments and freehold landowners, as well as to other third parties by way of contractual overriding royalties. Overriding royalties are generally paid to third parties where 3MV Energy has entered into agreements to earn an interest in their mineral rights by investing capital in their property.

For the quarter ended September 30, 2012, total royalties decreased 35 percent to $84 thousand from $129 thousand for the three month period ended October 31, 2011 due primarily to lower average production volumes for the period. The Corporation's average royalty rate for Q3 2012 was 10 percent of revenue compared to 11 percent for the three month period ended October 31, 2011. Royalties as a percentage of revenue remained largely unchanged over the two periods. For the nine month period ended September 30, 2012, total royalties decreased 8 percent to $377 thousand from $410 thousand for the nine month period ended October 31, 2011. The Corporation's average royalty rate for the nine month period ended September 30, 2012 was 11 percent of revenue compared to 11 percent for the nine month period ended October 31, 2011.

	Three months ended			Nine months ended		
$	September 30, 2012	October 31, 2011	Change %	September 30, 2012	October 31, 2011	Change %
Royalty expenses						
Total	**84,402**	129,070	(35%)	**376,701**	409,690	(8%)
$ per boe	**5.66**	7.06	(20%)	**7.21**	8.04	(10%)
% of revenue	**10.1%**	10.7%	(5%)	**11.3%**	11.1%	1.9%

Operating and Transportation Expenses

Operating expenses totaled $360 thousand or $24.15/boe for the quarter ended September 30, 2012 as compared to $562 thousand or $30.72/boe for the three month period ended October 31, 2011, representing a 21 percent decrease per boe. Operating expenses totaled $1.4 million or $26.35/boe for the nine months ended September 30, 2012 as compared to $1.4 million or $26.84/boe for the nine months ended October 31, 2011. The decrease in operating expenses per barrel in Q3 2012 compared to the three month period ending October 31, 2011 is attributable to the Corporation's decrease in production over the same periods. The Corporation was also able to reduce operating costs compared to Q2 2012 as the rental of jet pumps that the Corporation used in the production of oil in two of the Fiske wells was discontinued. Trucking and hauling costs were also decreased as a result of the decrease in production. With a focus on cost saving, the Corporation limited all non-essential operating costs during the quarter. It is the Corporation's belief that continuing this strategy in conjunction with an increase in production will bring operating costs per barrel in line with industry averages.

	Three months ended			Nine months ended		
$	September 30, 2012	October 31, 2011	Change %	September 30, 2012	October 31, 2011	Change %
Operating & transportation expenses						
Total	**360,198**	561,870	(36%)	**1,377,112**	1,366,957	1%
Total operating costs per boe	**24.15**	30.72	(21%)	**26.35**	26.84	(2%)

General and Administrative (“G&A”) Expenses

During the quarter ended September 30, 2012, G&A totaled $1.1 million or $71.21/boe as compared to the three months ended October 31, 2011 where G&A expenses were $297 thousand or $16.25/boe. During the nine months ended September 30, 2012, G&A totaled $2.8 million or $54.13/boe as compared to the nine months ended October 31, 2011 where G&A totaled $1.8 million or $35.95/boe. The increase in general and administrative charges was in large part due to the Corporation incurring $403 thousand in professional service charges in Q3 2012. These charges relate to legal and other professional fees incurred in conjunction with the Corporation’s financial restructuring and equity fundraising efforts. The increase period over period can also be attributed to an increase in salaries and wages as the Corporation employed more individuals in the current period over the last. Salary and wage expense is expected to decrease in coming periods in conjunction with the head office staff reductions that occurred at the end of Q3 2012. Also included in G&A expenses for the quarter is $263 thousand in share based compensation expense that relates to stock options issued to employees and directors of the Corporation. There was no stock based compensation incurred in the three month period ended October 31, 2011. Please refer below for more detail on share based compensation.

$	Three months ended September 30, 2012	Three months ended October 31, 2011	Change %	Nine months ended September 30, 2012	Nine months ended October 31, 2011	Change %
General & administrative expenses						
Total	**1,061,959**	297,267	257%	**2,829,034**	1,831,326	54%
Total G&A costs per boe	**71.21**	16.25	338%	**54.13**	35.95	51%

Share-Based Compensation

For the third quarter of 2012, 3MV Energy expensed $263 thousand in share-based compensation related to outstanding stock options compared to $nil for the three month period ended October 31, 2011. For the nine months ended September 30, 2012, 3MV Energy expensed $667 thousand in share-based compensation compared to $nil for the nine month period ended October 31, 2011. Share-based compensation increased due to options being issued to management and directors at the end of 2011 and in Q1 2012. In the current quarter, cancelled options resulted in an acceleration of the share based expense and a higher amount was expensed than in Q2 2012. The cancellation of the director’s options resulted in an additional $107 thousand in share based payment expense for the period. As at September 30, 2012, there were 966,024 stock options outstanding. There were no stock options granted, or exercised during the third quarter of 2012. During the period 165,865 options were cancelled and 268,425 options were forfeited.

Share-based compensation is a non-cash calculation, utilizing the Black-Scholes model, or the estimated cost associated with options granted to purchase common shares of the Corporation. The share-based compensation expense reflects the value ascribed to the non-cash compensation provided by 3MV Energy to directors, officers, employees and consultants of the Corporation. This expense may not represent actual cash compensation realized by the recipients of the options upon the eventual exercise and disposition of these options.

Depletion and Depreciation

For the quarter ended September 30, 2012, depletion and depreciation expense was $411 thousand or $27.53/boe as compared to the three months ended October 31, 2011 in which the expense was $559 thousand or $30.58/boe. For the nine months ended September 30, 2012, depletion and depreciation expense was $1.5 million or $27.88/boe as compared to the nine months ended October 31, 2011 in which the expense was $1.5 thousand or $29.38/boe. Comparatively, the net book value of 3MV Energy's property, plant and equipment at September 30, 2012 was $13.6 million compared to $20.9 million as at October 31, 2011. The decrease in net book value period over period is due the impairment recognized by the Corporation in the period ended December 31, 2011 and subsequent depletion incurred offset by capital spending.

	Three months ended			Nine months ended		
$	September 30, 2012	October 31, 2011	Change %	September 30, 2012	October 31, 2011	Change %
Depletion & Depreciation						
Total	**410,544**	559,430	(27%)	**1,456,899**	1,496,365	(3%)
Total Depletion & Depreciation costs per boe	**27.53**	30.58	(10%)	**27.88**	29.38	(5%)

Transaction and Share Listing Expense

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 amalgamation Noravena 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 (1:10). Following the amalgamation, 3MV Energy Corp. resumed trading on the TSX Venture under the trading symbol TMV.

Under the rules of IFRS, a capital pool corporation does not meet the definition of a business. As a result, the excess of the fair value of the consideration given over the net assets of the capital pool corporation is recorded as a share listing expense on the statement of comprehensive loss. As this was a non cash transaction, the amount is added back to the cash flow from operating activities on the consolidated statement of cash flows. Of the Corporation's $4.8 million loss for the nine months ended September 30, 2012, $1.5 million related to the share listing expense.

Finance Costs

Finance costs include both interest and bank charges in the quarter as well as accretion expense.

Interest and bank charges for Q3 2012 were $176 thousand compared to $83 thousand for the three month period ended October 31, 2011. The increase in the charges between the two periods is the result of a $2 million mezzanine loan facility being fully drawn during Q3 2012 whereas only a $1 million mezzanine facility was drawn during the 3 month period ended October 31, 2011. Further, the interest rate on the mezzanine loan increased as of July 1, 2012 as a result of the Corporation being in default as a result of covenant breaches. In addition, the amount of the senior operating loan outstanding increased period over period resulting in higher interest. On a nine month basis, finance costs rose to $368 thousand for the period ended September 30, 2012 compared to $190 thousand for the nine month period ended October 31, 2011.

Accretion expense for Q3 2012 was $10 thousand compared to $11 thousand for the three month period ended October 31, 2011. Accretion expense for the nine month period ended September 30, 2012 was $22 thousand compared to $32 thousand for the nine month period ended October 31, 2011. The accretion expense represents the change in the time value of the underlying decommissioning provision.

Funds Generated by Operations and Net Loss

For the quarter ended September 30, 2012, funds generated by operations decreased 4,346 percent to a loss of $839 thousand or ($56.26)/boe compared to earnings of $24 thousand or $1.33/boe during the three months ended October 31, 2011. On a three month basis, this decline can be attributed to lower realized revenues on a per barrel basis combined with increased G&A costs and interest expense. This was offset by a decrease in the operating expenses incurred for the period. For the nine months ended September 30, 2012, funds generated by operations decreased 159 percent to a loss of $1.6 million or ($30.30)/boe compared to a loss of $597 thousand or ($11.72)/boe during the three months ended October 31, 2011. The change in the loss generated by operations can also be attributed to a lower realized price per barrel and an increase in general and administrative expenses. The large increase in G&A costs are attributed to the reverse takeover of Noravena in Q1 2012 as well a significant amount of professional expenses incurred in conjunction with corporate restructuring. Income tax expense incurred decreased from a nine month total of $543 thousand for the period ended October 31, 2011 compared to $8 thousand incurred at the end of September 30, 2012.

The following table summarizes the netbacks on a barrel of oil equivalent basis for the three and nine month periods ended September 30, 2012 and October 31, 2011. These figures are determined by taking the revenue and expense amounts from the financial statements divided by total production for the period.

	Three months ended			Nine months ended		
$/boe	September 30, 2012	October 31, 2011	Change %	September 30, 2012	October 31, 2011	Change %
Petroleum & natural gas revenues	**55.84**	65.92	(15%)	**63.95**	72.70	(12%)
Royalties	**5.66**	7.06	(20%)	**7.21**	8.04	(10%)
Operating costs	**24.15**	30.72	(21%)	**26.35**	26.84	(2%)
Operating netback	**26.03**	28.15	(8%)	**30.39**	37.82	(20%)
General & admin. expenses	**71.21**	16.25	338%	**54.13**	35.95	51%
Interest expense	**11.08**	3.96	180%	**6.41**	2.91	120%
Income taxes – current	**-**	6.61	(100%)	**0.15**	10.67	(99%)
Funds generated from operations	**(56.26)**	1.33	(4346%)	**(30.30)**	(11.72)	159%

Earnings per share

Basic and diluted loss per share

	Loss for the period $	Weighted average number of shares	Per share amount $
Three months ended September 30, 2012			
Basic and diluted	(1,327,869)	13,988,860	(0.09)
Nine months ended September 30, 2012			
Basic and diluted	(4,774,262)	12,849,751	(0.37)
Three months ended October 31, 2011			
Basic and diluted	(303,253)	4,591,685	(0.07)
Nine months ended October 31, 2011			
Basic and diluted	(1,689,374)	3,911,097	(0.43)

The effect of warrants and stock options outstanding on loss per share for the periods ended September 30, 2012 and October 31, 2011 is anti-dilutive.

Cash Flow from Operations

	Cash flow from operations for period $	Weighted average number of shares #	Per share amount $
Three months ended September 30, 2012			
Basic and diluted	(81,875)	13,988,860	(0.00)
Nine months ended September 30, 2012			
Basic and diluted	46,480	12,849,751	0.00
Three months ended October 31, 2011			
Basic and diluted	1,665,820	4,591,685	0.36
Nine months ended October 31, 2011			
Basic and diluted	90,325	3,911,097	0.02

Note:

1) In accordance with IFRS standards, the weighted average number of shares outstanding for the corporation as of October 31, 2011 is calculated as the number of 3M Ventures shares outstanding for the period multiplied by the share exchange ratio.

Summary of Quarterly Results

	Three months ended			Two months ended
	Sept. 30 2012	Jun. 30 2012	Mar. 31 2012	Dec. 31 2011
Petroleum & natural gas revenues, before royalties (1)	**832,753**	1,079,333	1,430,010	1,283,859
Funds flow from operations ($/boe)(1)	**(56.26)**	(49.19)	5.19	(34.99)
Operating netback ($/boe) (1)	**26.03**	25.84	37.43	36.52
Capital expenditures (1)	**(934,608)**	827,408	3,161,026	4,660,838
Earnings (Loss)	**(1,327,868)**	(1,306,308)	(2,139,110)	N/A
Earnings (Loss) per share (Basic and Diluted) (1)	**(0.09)**	(0.09)	(0.18)	N/A

	Three months ended			
	Oct. 31 2011	Jul. 31 2011	Apr. 30 2011	Jan. 31 2011
Petroleum & natural gas revenues, before royalties (1)	1,205,784	1,197,099	1,300,125	660,589
Funds flow from operations (1)	1.33	(47.46)	1.40	3.93
Operating netback (1)	28.15	48.47	38.67	21.36
Capital expenditures (1)	3,204,855	1,393,927	428,842	1,760,913
Earnings (Loss)	(303,253)	(955,395)	(430,726)	N/A
Earnings (Loss) per share (Basic and Diluted) (1)	(0.07)	(0.28)	(0.14)	N/A

Note:

1) This financial information has been extracted from 3MV's unaudited quarterly financial statements and previously disclosed amounts included in management discussion and analysis. The Corporation was private as at December 31, 2011 and quarterly information for previous periods is disclosed as was available.

Net Capital Expenditures

The following table details the capital additions relating to the Corporation's property and equipment for the three and nine month periods ended September 30, 2012 and October 31, 2011:

$	Three months ended September 30, 2012	October 31, 2011	Change %	Nine months ended September 30, 2012	October 31, 2011	Change %
Capital expenditures and disposals						
Drilling and completions	**-**	2,237,234	(100%)	**1,439,058**	3,172,592	(55%)
Facilities and equipment	**90,426**	355,415	(75%)	**1,754,358**	815,797	115%
Land and seismic	**21,912**	507,988	(96%)	**809,963**	872,044	(7%)
Corporate assets	**819**	104,218	(99%)	**98,212**	167,192	(41%)
Total capital expenditures	**113,157**	3,204,855	(96%)	**4,101,591**	5,027,625	(18%)
Disposals	**(1,047,764)**	-	100%	**(1,047,764)**	-	100%
Total net capital expenditures	**(934,607)**	3,204,855	(129%)	**3,053,826**	5,027,625	(39%)

Total capital expenditures for the quarter ended September 30, 2012 were $113 thousand compared to $3.2 million for the three month period ended October 31, 2011. Total capital expenditures for the nine months ended September 30, 2012 were $4.1 million compared to $5.0 million for the nine month period ended October 31, 2011. The decrease in the Q3 expenditures compared to the 3 months ended October 31, 2011 is the result of the Corporation drilling no new wells compared to 2011 when the Corporation drilled two gross wells (two net) and began work on a battery in the Dodsland area. In addition, the Corporation disposed of some non-core assets in the Q3 2012 period. The Corporation disposed of $1 million in assets offset by a reduction in accumulated depletion and impairment of $745 thousand and received cash proceeds in the amount of $200 thousand. A loss of $69 thousand was recorded on the transaction.

Land and seismic expenditures for the quarter ended September 30, 2012 totaled $22 thousand compared to $507 thousand for the three months ended October 31, 2011. Land and seismic expenditures for the nine months ended September 30, 2012 totaled $810 thousand compared to $872 thousand for the nine months ended October 31, 2011. The increase the expenditures for the three and nine months ended September 30, 2012 is the result of the 3D seismic shot by 3MV Energy in the Fiske area in 2012.

Capital Resources

Capital Resources and Credit Facility

As at September 30, 2012, the Corporation had $nil available in respect of its credit facility of which $4.0 million was drawn. The credit facility is a revolving demand credit facility that is determined based on, among other things, the Corporation's current reserve report, results of operations, current and forecasted commodity prices and the current economic environment. The facility requires the Corporation maintain an adjusted working capital ratio of 1.0:1.0, calculated by taking current assets for the period plus amount available in the facility at period end divided by current liabilities less amount drawn on the facility at period end. As of September 30, 2012 the Corporation had an adjusted working capital ratio of 0.1:1.0. Subsequent to the end of the period, the Corporation was issued a demand for repayment of all indebtedness under this facility as a result of the Corporation being in breach of certain covenants. The Corporation repaid in full the indebtedness under the senior facility on October 23, 2012.

Additionally, the Corporation has also drawn a $2.0 million mezzanine loan. The loan is subordinated in nature and interest is payable at 15% per annum through maturity of May 31, 2013. Interest is due and calculated monthly. The Corporation is subject to a working capital ratio covenant calculated in the same manner as the operating loan. As at September 30, 2012 the Corporation's working capital ratio was 0.1:1.0; which was in violation of the minimum 1.0:1.0 ratio required. The loan also requires the Corporation to maintain a secured debt to equity ratio of less than 1.0:1.0 at all times. The secured debt to equity ratio is calculated as consolidated debt in accordance with IFRS excluding interest, deferred taxes, amortization and other non-cash items over consolidated shareholder's equity. At September 30, 2012 the Corporation's secured debt to equity ratio was 3.4:1.0. The Corporation is also subject to maintain a secured debt to trailing cash flow ratio at or below 2.5:1.0 at all times. For the purposes of this covenant, trailing cash flow is defined as consolidated IFRS net income with deferred taxes, amortization, and other noncash charges added back. As at September 30, 2012 the Corporation had a secured debt to trailing cash flow ratio of (2.39):1.0. As a result of the covenant violations, the credit facility was placed in default on as of July 1, 2012 and interest rate was increased to 21% per annum. Subsequent to the end of the period, the Corporation was issued a demand for repayment of all indebtedness under this credit facility (see subsequent events). The Corporation repaid its indebtedness under this facility in full on November 14, 2012 and is released from all liability to the lenders.

The Corporation plans to fund its future capital program from a combination of equity financing, debt instruments as available and cash flow generated from operations.

Future Operations and Liquidity Analysis

For the nine months ended September 30, 2012, the Corporation reported a net loss of $4.8 million and had a working capital deficiency of $10.9 million. During the fiscal year, the Corporation obtained debt financing in the amount of $2.0 million however the amount was not sufficient to correct the working capital deficiency as the Corporation's working capital deficiency of $10.9 million remains well in excess of the available lending facilities of $6.0 million as of September 30, 2012. The Corporation's banking arrangements in place are not sufficient to fund the exploration and development program for the next twelve months. Subsequent to the end of the period, both of the Corporation's lenders demanded repayment of loaned facilities. The Corporation was able to close a $5 million private placement on October 19, 2012 and issued a convertible debenture on November 14, 2012 in the amount of $1 million. The funds from these two financings were used to repay the lenders in full by November 14, 2012. The Corporation's resulting financial position is $nil in debt facilities available and outstanding and $1 million in convertible debentures reducing the working capital deficiency by $6 million. These conditions nevertheless create a material uncertainty that may cast significant doubt about the Corporation's ability to continue as a going concern. Additional equity, debt and/or farm-out arrangements will be required to meet the Corporation's obligations as they become due and there are no guarantees that such additional capital funding will be available when needed.

The interim condensed consolidated interim 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. 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 which could be material.

Financial Position

As mentioned above the Corporation had a working capital deficiency of $10.9 million as at September 30, 2012. This deficiency has been significantly improved subsequent to the end of the period. The funds from the $5 million private placement closed in October were utilized to fully pay down the senior bank loan in the amount of $4 million with the remaining $1 million used to have the mezzanine loan. Also subsequent to the period, the Corporation issued convertible debentures in the amount of $1 million. The proceeds from this issuance were used to payout the remaining $1 million in mezzanine debt outstanding. These actions enabled the Corporation to reduce its working capital deficiency by $6 million. As at November 28, 2012 3MV Energy has $nil in debt facilities and $1 million in convertible debentures.

In conjunction with these actions, 3MV Energy also announced its intentions to settle trade accounts payable by issuing securities of the Corporation on October 18, 2012, namely units comprised of one common share in the Corporation priced at $0.25 and one purchase warrant exercisable at $0.50 per share. As at November 28, 2012 3MV Energy has successfully converted $1,023,795 in trade debt for 4,755,186 shares and 3,993,626 warrants in the Corporation. The conversion of debt to shares further reduces 3MV's working capital deficiency and improves the financial position moving into Q4 2012.

The Corporation looks to improve its cash flow in subsequent periods by decreasing its G&A expenses among other costs. A reduction in head office staff that occurred at the end of Q3 2012 will help facilitate this objective

Outlook

3MV Energy intends to focus its drilling and production efforts on its highly productive Fiske light oil discovery for the remainder of 2012 and into 2013. With 34.25 net sections of land subject to a farm out agreement (of which the Corporation has earned and participated in 2.65 net sections) and another section (crown lease) owned by 3MV Energy, and a recent 19.9 km² 3D seismic program, 3MV Energy has identified and licensed 17 future drilling locations, eight of which the Corporation considers to be infill locations. The Corporation's initial success in the play, with three wells producing over100 boe/d during the first 30 days of production, has led to reserves additions in the area and 3MV Energy intends to continue to drill similar wells in the area as quickly as is practicable with additional capital raised in the upcoming periods. The Corporation is currently pursuing strategic farm out arrangements to generate cash flow with limited capital outlay. This will aid in further reducing debt levels and create more efficiencies in 3MV's operating activities.

Subsequent Events

Debt Repayment

Subsequent to the end of the quarter, 3MV announced that both its lenders under its secured credit facility and secured subordinated credit facility made a demand on the Corporation for repayment of all indebtedness under such facility, which amounted to $6 million plus any unpaid accrued interest, by October 19, 2012. The demand came as a result of the Corporation being in breach of certain financial covenants under the facilities.

The Corporation repaid in full the indebtedness under the senior facility on October 23, 2012 and the Corporation repaid in full the indebtedness under its secured subordinated credit facility on November 14, 2012.

Financings

Prior to repayment of the Senior Lender, on October 19, 2012 the Corporation announced the initial closing of a non-brokered private placement of 20,000,000 units at a price of $0.25 per Unit for gross proceeds of $5,000,000. Each unit was comprised of one common share and one common share purchase 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. A director of the Corporation was the sole subscriber to the Offering and will become a new "Control Person" as defined in the TSX Venture Exchange ("TSXV") Corporate Finance Manual.

According to TSXV rules and applicable securities legislation, the securities issued pursuant to the Offering are subject to a four-month and one day hold period, commencing on the closing date and ending on February 20, 2013.

The TSXV requires that 3MV obtain disinterested shareholder approval for the creation of a new "Control Person." A special meeting of shareholders of 3MV has been scheduled for December 5, 2012 for the purpose of obtaining disinterested shareholder approval. Until approval is obtained, the subscriber is limited in the exercise of voting shares to no greater than 15% of the post offering number of outstanding 3MV Energy Shares.

On November 14, 2012 the Corporation announced the closing of a $1,000,000 non-brokered private placement financing of convertible debentures. A director of the Corporation is the sole subscriber for the convertible debenture.

The convertible debenture is a secured, interest-bearing loan of $1,000,000. The interest rate is 12% per annum, calculated and payable monthly. The term is for 2 years, with the Corporation having a right to prepayment upon thirty (30) days' notice. The loan is convertible at any time by the lender until maturity into common shares of the Corporation at a conversion price of $0.29 per share.

Additionally on November 14, 2012 and November 28, 2012, the Corporation issued 440,000 Units for gross proceeds of $110,000 and 1,200,000 Units for gross proceeds of $300,000, respectively, under its non-brokered private placement offering. Each unit is comprised of one common share and one common share purchase warrant. Each warrant will entitle 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 Company is continuing to offer up to an additional 20,000,000 Units for sale at a price of $0.25 per Unit for gross proceeds of up to an additional $5,000,000.

Operations

October 18, 2012 the Corporation announced it intends to exercise, subject to Board of Directors and regulatory approval, the right to exchange 3MV Energy shares and warrants for FarmCo shares and warrants thereby re-acquiring the 75% interest in the two wells, by issuing units at $0.25 per unit, each unit is comprised of a share and a warrant exercisable at $0.50 for 18 months. In total there are 3,600,000 shares and warrants in 1696704 Alberta Ltd. outstanding. These two wells are currently awaiting completion.

Subsequent to the period ended September 30, 2012, the Corporation announced the intention to settle trade debt by issuing units of the Corporation at a conversion price of $0.25 per unit. Each unit is comprised of one common share and one common share purchase warrant. Each warrant will entitle 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. Trade creditors considered to be a related party to the Corporation will not be entitled to the warrants. As of the date of release of the interim consolidated financial statements for the period ended September 30, 2012 the Corporation has agreed to convert $1,023,795 of trade and professional services into an aggregate of 4,755,186 common shares and 3,993,626 warrants. 3MV is continuing to solicit its creditors for conversion.

As of November 28, 2012 the Corporation has reduced its working capital deficiency by $7.1 million as detailed above. This was financed through a $5 million private placement and $1 million in convertible debentures. The Corporation currently has no debt facilities and will aim to further reduce the working capital deficiency in the fourth quarter of 2012.

Outstanding Share Data

Common Shares

3MV Energy is authorized to issue an unlimited number of common shares and an unlimited number of preferred shares, issuable in series. Holders of common shares are entitled to one vote per share at meetings of shareholders of 3MV Energy.

As at September 30, 2012 a total of 13,988,860 common shares were issued and outstanding. As at November 28, 2012, a total of 39,830,850 common shares were issued and outstanding in conjunction with subsequent period private placements and shares for debt conversions as detailed below.

As at September 30, 2012, the Corporation had 966,024 options to acquire common shares and issued 196,777 broker warrants. As at November 28, 2012, the Corporation has 966,024 options to acquire common shares and 25,277,156 warrants outstanding in conjunction with subsequent period private placements and shares for debt conversions as detailed below.

Related party transactions

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

		% equity interest	
Name	Country of incorporation	June 30, 2012	April 30, 2011
3MV Energy Operations Inc.	Canada	100%	-
3 Martini Ventures Inc.	Canada	100%	-
Buckhorn Resource Ltd.	Canada	100%	100%

Balances and transactions between 3MV Energy Corp. and its subsidiaries and special purpose entity, which are related parties, have been eliminated on consolidation and are not disclosed in the financial statements.

During the period ended September 30, 2012, the Corporation incurred $264,491 in general and administrative expenses relating to legal fees ($nil for period ending October 31, 2011) paid to a firm in which a partner is a Director of the Corporation.

Subsequent to the end of the period the Corporation closed a placement for gross proceeds of $5,000,000. A director of the Corporation is the sole subscriber for the private placement and following the closing of the offering directly or indirectly, beneficially owns or controls 59.61% of the Corporation on a non-diluted basis and 74.57% on a fully diluted basis. This transaction is subject to shareholder approval. See subsequent event note disclosure for more information.

On August 24, 2012, 1696704 Alberta Ltd ("FarmCo") was created with the single purpose to raise $2 million in order to finance two lease preserving wells on the Fiske property. 3MV Energy entered into a farm-out agreement with FarmCo to drill two wells on 3MV's property, with FarmCo funding 100% of costs to completion to earn 75% interest subject to existing royalties.

In total, 3,600,000 units in 1696704 Alberta Ltd. were issued at a share price of $0.25 per unit. Each unit consists of one common share in 1696704 Alberta Ltd. and one full purchase warrant exercisable for 18 months at a price of $0.50 per share. FarmCo is a related party by way of common management and directors.

FarmCo is a separate entity until such time as 3MV Energy exercise's the right to acquire 1696704 Alberta Ltd. and as such, has not been consolidated into the financial statements of 3MV Energy as at September 30, 2012.

FarmCo successfully spud 2 wells in September 2012 thereby fulfilling 3MV Energy's lease commitments as at September 30, 2012. These wells have yet to be completed, as such FarmCo hasn't earned its working interest in the production.

Contractual Obligations and Commitments

The Corporation has operating lease commitments for office premises that expire in 2014. The future minimum lease payments are as follows:

	September 30, 2012 $
2012	16,598
2013	66,392
2014	38,728

Capital Commitments

The Corporation has entered into “farm-in” agreements whereby the Corporation may earn working interests in oil and gas properties in exchange for undertaking capital spending programs to develop the properties. Per the current terms of the farm-in agreement, the Corporation must begin the drilling of one new well on the designated property by December 1, 2012. As at September 30, 2012 the Corporation is committed to fulfilling all of its farm-in obligations.

During the period ended December 31, 2011 the Corporation closed the private placement where Class A shares were issued on a “flow-through” basis with respect to Canadian exploration expenses for gross proceeds of approximately $2.92 million and of which has been incurred.

Other Information

Additional information relating to the Corporation is available on SEDAR at www.sedar.com.