

Rocmec Mining Inc.

(A Development Stage Company)

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

9-MONTH PERIOD ENDED JUNE 30, 2007

These unaudited interim consolidated financial statements have been prepared by management. The external auditors have not examined these interim consolidated financial statements.

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Consolidated Balance Sheets

Consolidated Statements of Earnings and Deficit and Statements of Comprehensive Income

Consolidated Contributed Surplus

Consolidated Statements of Cash Flows

Notes to interim consolidated financial statements

Rocmec Mining Inc.

(A Development Stage Company)

CONSOLIDATED BALANCE SHEETS

(unaudited)

	\$	\$
	June 30, 2007	September 30, 2006
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	-	16,553
Temporary investment	12,962	65,019
Accounts receivable	34,535	-
Sales taxes receivable and other accounts receivable	232,380	277,653
Tax credit receivable	1,805,315	901,287
Prepaid expenses	62,932	29,287
	<u>2,148,124</u>	<u>1,289,799</u>
FIXED ASSETS (Note 5)	1,563,633	1,895,345
FUNDS HELD FOR EXPLORATION AND DEVELOPMENT CHARGES	1,373,999	503,069
MINING PROPERTIES (Note 6)	2,055,274	2,052,751
DEFERRED EXPLORATION AND DEVELOPMENT CHARGES (Note 7)	9,484,632	5,280,168
SECURITY DEPOSITS	33,220	33,220
THERMAL FRAGMENTATION - EXCLUSIVE LICENCE	1,345,631	1,332,476
	<u>18,004,513</u>	<u>12,386,828</u>
LIABILITIES		
CURRENT LIABILITIES		
Bank overdraft	749,750	-
Accounts payable and accrued liabilities	1,647,386	1,617,116
Deferred income	5,000	-
Loans (Note 8)	800,000	2,100,000
Current portion of long-term debt (Note 9)	150,586	140,724
Current portion of debentures (Note 10)	89,516	54,562
	<u>3,442,238</u>	<u>3,912,402</u>
LONG-TERM DEBT (Note 9)	167,491	276,296
DEBENTURES (Note 10)	2,912,642	1,489,355
FUTURE INCOME TAXES	1,138,156	633,620
	<u>7,660,527</u>	<u>6,311,673</u>
SHAREHOLDERS' EQUITY		
Share capital (Note 11)	18,697,585	12,640,688
Share capital to be issued (Note 11)	-	357,000
Contributed surplus	790,094	265,029
Warrants (Note 11)	1,510,171	772,083
Equity component of convertible debentures	774,944	620,944
Deficit	(11,428,808)	(8,580,589)
	<u>10,343,986</u>	<u>6,075,155</u>
	<u>18,004,513</u>	<u>12,386,828</u>

COMMITMENTS (Note 12)

The accompanying notes form an integral part of these interim consolidated financial statements

ON BEHALF OF THE BOARD OF DIRECTORS

(s) Donald Brisebois _____, Director

(s) Daniel Gilbert _____, Director

Rocmec Mining Inc.

(A Development Stage Company)

CONSOLIDATED STATEMENTS OF EARNINGS AND DEFICIT AND STATEMENTS OF COMPREHENSIVE INCOME

(unaudited)

	\$	\$	\$	\$
	3 month period ended June 30, 2007	9-month period ended June 30, 2007	3 month period ended June 30, 2006	9-month period ended June 30, 2006
INCOME				
Other revenue - Management fees	-	-	-	164
GROSS PROFIT	-	-	-	164
GENERAL AND ADMINISTRATIVE EXPENSES				
Management fees	1,525	4,525	1,500	1,500
Trustees fees and registration	10,888	22,555	9,841	21,948
Travelling and promotion	14,843	45,951	28,119	45,070
Professional fees	79,672	257,067	46,022	194,293
Financial fees	2,553	189,633	17,558	59,615
Reporting to shareholders	4,056	13,135	2,421	8,909
Telecommunications	(3,349)	15,155	10,898	22,960
Stationary and office expenses	5,185	10,544	2,924	11,943
Bank charges	3,759	5,364	8,109	42,792
Rent	9,550	28,300	8,825	25,925
Bad debts (recovered)	-	(267,058)	3,421	3,421
Insurance	(23,509)	11,374	13,926	34,322
Salaries and fringe benefits	105,695	297,531	87,881	241,063
Training	-	-	140	140
Stock-based compensation	21,819	130,842	-	13,000
Directors' fees	-	1,200	1,800	1,800
Interest on debentures and long-term debt	341,046	942,929	54,497	100,300
Amortization of fixed assets	1,819	4,456	1,241	3,723
Loss on disposal of fixed assets	-	-	-	2,168
Gain on revaluation of temporary investment	1,450	(1,952)	10,493	10,493
Write-off of mining properties	-	1,896	-	-
Write-off of deferred exploration and development charges (Note 14)	-	90	60,849	91,960
	577,002	1,713,537	370,465	937,345
LOSS BEFORE INCOME TAXES	(577,002)	(1,713,537)	(370,465)	(937,181)
INCOME TAXES				
Future income taxes	415,113	445,246	42,654	244,297
NET LOSS AND COMPREHENSIVE INCOME	(161,889)	(1,268,291)	(327,811)	(692,884)
NET LOSS PER SHARE				
Basic	(0.002)	(0.019)	(0.007)	(0.016)
Diluted	(0.002)	(0.019)	(0.007)	(0.016)
Weighted average number of shares outstanding	66,249,991	66,249,991	43,870,872	43,870,872
DEFICIT AT BEGINNING	(10,363,351)	(8,580,589)	(5,840,065)	(4,946,267)
NET LOSS	(161,889)	(1,268,291)	(327,811)	(692,884)
SHARE ISSUANCE EXPENSES	(903,568)	(1,579,928)	(303,601)	(832,326)
DEFICIT AT END	(11,428,808)	(11,428,808)	(6,471,477)	(6,471,477)

The accompanying notes form an integral part of these interim consolidated financial statements

Rocmec Mining Inc.

(A Development Stage Company)

CONSOLIDATED CONTRIBUTED SURPLUS

(unaudited)

	\$	\$
	June 30, 2007	September 30, 2006
BALANCE, BEGINNING OF PERIOD	265,029	154,779
Acquisition of rights to options	-	-
Options granted	130,842	37,000
Warrants expired	399,678	73,250
Options exercised	(5,455)	-
BALANCE, END OF PERIOD	790,094	265,029

The accompanying notes form an integral part of these interim consolidated financial statements

Rocmec Mining Inc.

(A Development Stage Company)

CONSOLIDATED STATEMENTS OF CASH FLOWS

(unaudited)

	\$	\$	\$	\$
	3 month period ended June 30, 2007	9-month period ended June 30, 2007	3 month period ended June 30, 2006	9-month period ended June 30, 2006
OPERATING ACTIVITIES				
Net earning (loss)	(161,889)	(1,268,291)	(327,811)	(692,884)
Operating items not involving cash				
Non-cash interest expense on convertible debentures and share issuance expenses related to convertible debentures	69,492	112,241	-	-
Amortization of fixed assets	1,819	4,456	1,241	3,723
Loss on disposal of fixed assets	-	-	-	2,168
Stock-based compensation	21,819	130,842	-	13,000
Financial fees paid by the issuance of warrants	-	-	-	76,312
Write-off of mining properties	-	1,896	-	-
Write-off of deferred exploration and development charges	-	90	-	33,799
Future income taxes	(415,113)	(445,246)	(42,654)	(244,297)
Changes in working capital items	15,551	(3,224,790)	687,221	(321,110)
Cash flows from operating activities	(468,321)	(4,688,802)	317,997	(1,129,289)
INVESTING ACTIVITIES				
Acquisitions of fixed assets	(15,670)	(101,033)	(217,279)	(231,429)
Disposals of fixed assets	-	140,413	-	-
Acquisitions of mining properties	(1,675)	(4,419)	(672)	(1,854)
Deferred exploration and development charges	(1,967,764)	(2,769,496)	(884,713)	(1,869,145)
Funds held for exploration and development charges	(1,084,233)	(870,930)	(111,744)	(17,527)
Security deposits	-	-	1,875	(166,058)
Acquisition of thermal fragmentation - exclusive licence	(1,973)	(13,155)	(4,998)	(120,027)
Cash flows from investing activities	(3,071,315)	(3,618,620)	(1,217,531)	(2,406,040)
FINANCING ACTIVITIES				
Funds from issuance of debenture issuance	-	1,346,000	-	-
Funds from issuance of loan	-	-	500,000	2,050,000
Loan reimbursement	-	-	-	(250,000)
Funds from issuance of long-term debt	-	6,850	20,900	270,900
Long-term debt reimbursement	(36,245)	(105,793)	(22,890)	(46,574)
Share issuance expenses	(256,729)	(613,019)	(143,579)	(341,128)
Share capital issued and to be issued	2,533,697	5,607,185	516,200	2,194,275
Funds from issuance of warrants issuance	541,703	1,145,896	-	-
Equity component of convertible debentures	-	154,000	-	-
Cash flows from financing activities	2,782,426	7,541,119	870,631	3,877,473
INCREASE (DECREASE) CASH AND CASH EQUIVALENTS	(757,210)	(766,303)	(28,903)	342,144
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	7,460	16,553	379,064	8,017
CASH AND CASH EQUIVALENTS, END OF PERIOD	(749,750)	(749,750)	350,161	350,161
Interest paid	278,599	1,066,338	52,865	121,205

The accompanying notes form an integral part of these interim consolidated financial statements

Rocmec Mining Inc.

(A Development Stage Company)

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2007 (unaudited)

1- GENERAL

The interim consolidated financial statements have been prepared in accordance with accounting policies generally accepted in Canada. They follow the same accounting policies as the annual consolidated financial statements for September 30th, 2006. These financial statements do not include all required information for generally accepted accounting principles used in annual financial statements and should be read with the accompanying notes on the Company's September 30, 2006 financial statements.

These interim results are not necessarily indicative of the expected results for the year.

2- GOING CONCERN

These interim consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles and on the basis of the going concern assumption meaning the Company will be able to realize its assets and discharge its liabilities in the normal course of operations.

A number of unfavorable conditions and events have left some doubt as to the appropriateness of this assumption. The Company has incurred significant operating losses in the last period and its working capital is deficient.

The Company is trying to obtain various options from its lenders and shareholders that would allow it to obtain financing. The Company's ability to continue as a going concern depends on its capacity to obtain financing contracts.

These interim consolidated financial statements do not reflect adjustments that would be necessary if the going concern assumption were not appropriate, because management feels that the measures described above that it took or intends to take will mitigate the effect of the conditions and facts that raise doubt about the appropriateness of this assumption.

3- NEW ACCOUNTING POLICIES

During the period, the Company adopted the following new accounting standards issued by the Canadian Institute of Chartered Accountants (CICA):

Section 1530 "Comprehensive Income", introduces a new financial statement which shows the change in equity of an enterprise from transactions and other events and circumstances from non-owner sources.

Section 3855 "Financial Instruments - Recognition and Measurement", establishes standards for recognizing and measuring financial instruments, namely financial assets, financial liabilities and derivatives. The new standards lay out how financial instruments are to be recognized depending on their classification. Financial instruments are initially recorded at fair value. The subsequent evaluation depends on the classification of the financial instruments. Depending on financial instruments' classification, changes in subsequent measurements are recognized in net income or comprehensive income.

Transaction costs are charged to income as they are incurred.

Rocmec Mining Inc.

(A Development Stage Company)

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2007 (unaudited)

3- NEW ACCOUNTING POLICIES (continued)

The Company has implemented the following classification:

Cash and cash equivalents, temporary investment and funds held for exploration and development charges are classified as "Financial Assets Held for Trading". Those financial assets are marked-to-market through net income at each period end.

Accounts payables and accrued liabilities, loan, long-term debt, obligations under capital lease and debentures are classified as "Other Financial Liabilities". They are initially recorded at fair value. Subsequent evaluation are measured at amortized cost using the effective interest rate method. For the Company, the measured amount generally corresponds to cost.

The adoption of these new standards has no impact on the financial position and the results of operations of the Company.

4- FINANCIAL INSTRUMENTS

Financial Risks

An important part of the Company's activities may be considered as exploration. In order to continue its exploration and development activities, the Company must obtain financing either through existing financial resources or through additional equity or quasi-equity financing. However, even though the Company has been successful in the past in raising the required funds there can be no assurance that the Company will be able to raise such additional equity.

All of the Company's properties are at the exploration and development stage. The long-term profitability of the company's operations will be in part directly related to the cost and success of its exploration and subsequent development programs, which may be affected by a number of factors. These include the quantity and quality of the ore, the cost to develop infrastructure for production, the financing costs, as well as the market price of gold.

Environmental risks

The Company is subject to different environmental incidents that may occur during exploration or development work. Management has implemented programs to manage the risks involved, which include various plans and operational practices.

Flow-through shares

The Company is partly financed by the issuance of flow-through shares. However, there is no guarantee that the funds expended by the company will qualify as Canadian exploration charges, even if the company has taken all the necessary measures for this purpose.

Financial instruments book values and fair values were as follows:

	Book value	Fair value
<u>Other financial liabilities</u>		
Capital leases	16,223	16,223
Long-term debt	301,854	301,854
Convertible debentures	2,152,158	2,152,158
Other debentures	850,000	850,000
	<u>3,320,235</u>	<u>3,320,235</u>

Rocmec Mining Inc.

(A Development Stage Company)

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2007 (unaudited)

4- FINANCIAL INSTRUMENTS (continued)

The fair value of cash and cash equivalents, temporary investment, funds held for exploration and development charges, accounts payable and accrued liabilities and loans approximates their carrying value because of the short-term maturity of these instruments.

The fair value of the obligation under capital leases represents the obligations that the Company would have to face in the event of the negotiation of similar leases under current market conditions.

The fair value of long-term debt and debentures are estimated using discounted cash-flow analyses, based on current corresponding borrowing rates for similar types of borrowing arrangements.

5- FIXED ASSETS

	June 30, 2007			September 30, 2006		
	Cost	Accumulated amortization	Net value	Cost	Accumulated amortization	Net value
	\$	\$	\$	\$	\$	\$
Equipment	1,561,991	433,423	1,128,568	1,618,580	228,834	1,389,746
Gravimetric plant	523,758	204,194	319,564	523,758	147,800	375,958
Computer equipment	26,344	9,789	16,555	15,985	5,978	10,007
Automotive equipment	153,099	74,150	78,949	153,099	51,230	101,869
	<u>2,265,192</u>	<u>721,556</u>	<u>1,543,636</u>	<u>2,311,422</u>	<u>433,842</u>	<u>1,877,580</u>
Capital lease						
Equipment	6,850	621	6,229	-	-	-
Automotive equipment	20,900	7,132	13,768	20,900	3,135	17,765
	<u>27,750</u>	<u>7,753</u>	<u>19,997</u>	<u>20,900</u>	<u>3,135</u>	<u>17,765</u>
	<u>2,292,942</u>	<u>729,309</u>	<u>1,563,633</u>	<u>2,332,322</u>	<u>436,977</u>	<u>1,895,345</u>

Rocmec Mining Inc.

(A Development Stage Company)

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2007 (unaudited)

6- MINING PROPERTIES

	Balance as at September 30, 2005	Addition	Write-off	Balance as at September 30, 2006	Addition	Write-off	Balance as at June 30, 2007
Montauban	803,994	700	-	804,694	2,539	-	807,233
Denain	112,323	35,261	-	147,584	(16)	-	147,568
Courville-Maruska	140,000	831	-	140,831	-	-	140,831
Vauquelin	132,000	15	(132,015)	-	96	(96)	-
Lac Rose	155,000	49,190	(204,190)	-	1,800	(1,800)	-
Rocmec 1 (Russian Kid)	887,999	143	-	888,142	-	-	888,142
Tiblemont	-	71,500	-	71,500	-	-	71,500
	<u>2,231,316</u>	<u>157,640</u>	<u>(336,205)</u>	<u>2,052,751</u>	<u>4,419</u>	<u>(1,896)</u>	<u>2,055,274</u>

Some of these properties are registered in the name of the seller and some are attached with a royalty in case of production.

a) Montauban project - Montauban and Grondines township, Québec

A 100% interest in 83 mining claims.

b) Denain project - Denain township, Québec

A 85% interest in 23 mining claims subject to a 3.5% net smelter return (NSR) royalty. On October 2006, the Company granted an option to sell his participation. The option calls for a cash payment to the Company of \$5,000 upon signature of the agreement, the issuance of 100,000 common shares during the first year, the issuance of an additional 300,000 common shares no later than 18 months following the signature of the agreement and a cash payment of \$2,400,000 within 24 months of the signature of the agreement. Furthermore, a 2.5% NSR royalty is attached to the option.

c) Courville-Maruska project - Courville township, Québec

A 100% interest in 20 mining claims.

d) Rocmec 1 project - Dasserat township, Québec

A 100% interest in 11 mining claims subject to a 5% Net Metal royalty on first 25,000 ounces and 3% on the additionnel ounces.

e) Tiblemont project - Tiblemont township, Québec

A 100% interest in 6 mining claims.

Rocmec Mining Inc.

(A Development Stage Company)

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2007 (unaudited)

7- DEFERRED EXPLORATION AND DEVELOPMENT CHARGES

	Balance as at September 30, 2005	Deferred exploration and development charges	Write-off	Tax credit	Balance as at September 30, 2006	Deferred exploration and development charges	Write-off	Tax credit	Balance as at June 30, 2007
Montauban	792,187	-	-	382	792,569	-	-	34	792,603
Denain	1,062,277	(5,851)	-	14,178	1,070,604	-	-	781	1,071,385
Courville-Maruska	3,995	-	-	129	4,124	-	-	11	4,135
Vauquelin	13,455	-	(13,740)	285	-	-	-	-	-
Lac Rose	528,276	1,463	(530,980)	1,241	-	-	-	-	-
Rocmec 1 (Russian Kid)	94,021	4,094,825	-	(775,975)	3,412,871	5,787,696	-	(1,584,058)	7,616,509
Others	-	193,903	(168,873)	(25,030)	-	-	(90)	90	-
	2,494,211	4,284,340	(713,593)	(784,790)	5,280,168	5,787,696	(90)	(1,583,142)	9,484,632

Rocmec Mining Inc.

(A Development Stage Company)

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2007 (unaudited)

7- DEFERRED EXPLORATION AND DEVELOPMENT CHARGES (continued)

DETAIL OF DEFERRED EXPLORATION AND DEVELOPMENT CHARGES

	<u>\$</u>
Diamond drilling	322,703
Thermal fragmentation	280,179
Development drifts and raises	1,491,210
Supervision	312,136
Maintenance	1,213,995
Surface	696,400
Technical services	195,389
Other exploration expenses	318,666
Transport and milling	451,849
Royalty	21,879
Equipment rental	557,036
Mineral sales	(361,622)
Amortization of fixed assets	287,876
	<u>5,787,696</u>

8- LOANS

Loan, bearing 1% monthly interest, secured by accounts receivable from mineral sales, maturing October 2007.

300,000

Loan reimbursable in gold, bearing 12% interest, repayable in 4 equal quarterly installments, commencing on November 30th, 2006 and maturing August 2007. Repayment of interest and principal will be paid in gold ounces delivered to the lenders. The number of ounces of gold to be delivered will be calculated by dividing the sum of the interests and capital to be paid by the average closing price of the last ten days based on the "spot market New York" in Canadian dollars minus 20%.

500,000

800,000

Rocmec Mining Inc.

(A Development Stage Company)

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2007 (unaudited)

9- LONG-TERM DEBT

	<u>\$</u>
Obligations under capital lease secured by the equipment and the automotive equipment of a net book value of \$19,997, repayable by monthly installments varying from \$129 to \$1,050 including interest calculated at rates varying from 13.92% to 18.65%, maturing between May 2008 and March 2009.	16,223
Loans secured by automotive equipment of a net book value of \$78,948 repayable by monthly installments of \$3,912 including principal and interest calculated at rates varying from 0.06% to 3.9%, maturing between October 2008 and August 2011.	70,862
Loan secured by thermal fragmentor of a net book value of \$151,270 repayable by monthly installments of \$5,213 including principal and interest calculated at a rate 9.2%, maturing August 2008.	68,963
Loans secured by loaders of a net book value of \$149,080 repayable by monthly installments of \$4,191 including principal and interest calculated at rates varying from 4.8% to 7.0%, maturing between August 2009 and August 2011.	<u>162,029</u>
	318,077
Current portion	<u>150,586</u>
	<u>167,491</u>

Long-term debt principal repayments to be made during the following 5 years are as follows:

	<u>Long-term debt</u>	<u>Capital lease</u>	<u>Total</u>
2008	136,693	15,486	152,179
2009	75,105	2,426	77,531
2010	42,743	-	42,743
2011	40,409	-	40,409
2012	6,904	-	6,904
Total minimum lease payments	<u>301,854</u>	<u>17,912</u>	<u>319,766</u>
Amounts included in minimum lease payments			
Interest expense		<u>1,689</u>	
		<u>16,223</u>	

Rocmec Mining Inc.

(A Development Stage Company)

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2007 (unaudited)

10- DEBENTURES

\$

Liability component of convertible debentures

Ten \$100,000 convertible debentures totalling \$1,000,000, bearing interest rate of 12% (effective rate of 40%), repayable monthly, maturing at different maturity dates between September 2007 and November 2010. The debentures are convertible at the holder's option, into common shares at conversion prices ranging between \$0.23 and \$0.28. The holders, subject to regulatory approval, may request that interest payments be paid in common shares, semi-annually.

656,503

Convertible debenture totalling \$200,000, bearing interest rate of 12% (effective rate of 58%), repayable semi-annually, in common shares, commencing 36 months following the date of issuance (March 2009). The debenture is convertible at the holder's option into common shares at conversion prices ranging between \$0.23 and \$0.25. Subject to regulatory approval, interest payments will be paid in common shares.

111,895

Convertible debentures totalling \$1,500,000, bearing interest rate of 12% (effective rate of 28.81%), plus a maximum NSR royalty of 1.8% on gold ounces produced during the first year at Rocmec 1 and 1.2% thereafter. The debentures will mature on December 31st, 2008, are redeemable on demand, at the Company's option, with a 3 month interest and royalty penalty. The debenture holders may convert 30% of the total amount of the debentures into common shares at a price of \$0.30 per share and the issuer has the right to force conversion of 70% of the total amount of the debentures into common shares at a price of \$0.70 if the closing stock price of the last 30 days preceding conversion exceeds \$0.90.

1,383,760

Balance to carry-forward

2,152,158

Rocmec Mining Inc.

(A Development Stage Company)

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2007 (unaudited)

10- DEBENTURES (continued)

	<u>\$</u>
Carry-forward balance	2,152,158
<u>Others debentures</u>	
Debtentures issued agreements with qualified investors totalling \$850,000, bearing interest rate of 12% and maturing on March 2009. The debtentures are redeemable at all times with a penalty equal to three months interest and are convertible into common shares at the issuer at the market price on the date of conversion subject to a minimum price of \$0.22. The holders, subject to regulatory approval, may request that interest payments be paid quarterly in common shares.	
	<u>850,000</u>
	3,002,158
Current portion	<u>89,516</u>
	<u>2,912,642</u>

Debtentures principal repayments to be made during the following years are as follows:

	<u>\$</u>
2008	89,516
2009	2,676,871
2010	121,398
2011	<u>114,373</u>
	<u>3,002,158</u>

Rocmec Mining Inc.

(A Development Stage Company)

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2007 (unaudited)

11- SHARE CAPITAL

Authorized

Unlimited number of common shares without par value, voting, participating, dividend as declared by the Board of Directors.

Changes in the Company's common share capital were as follows:

	June 30, 2007		September 30, 2006	
	Number	Amount	Number	Amount
Shares issued		\$		\$
Balance, beginning of period	55,288,070	12,640,688	35,411,728	8,117,588
Paid in cash	15,045,953	2,687,267	3,466,276	415,479
Flow-through shares	15,595,311	3,146,918	8,572,566	2,166,600
Mining properties	-	-	875,000	136,628
Exercise of warrants	650,000	132,757	150,000	34,800
Debt settlement	340,833	74,000	6,812,500	1,769,593
Exercise of share purchase options	50,000	15,955	-	-
	<u>86,970,167</u>	<u>18,697,585</u>	<u>55,288,070</u>	<u>12,640,688</u>
Shares to be issued				
Flow-through shares	-	-	1,232,143	345,000
Debt settlement	-	-	54,545	12,000
	-	-	<u>1,286,688</u>	<u>357,000</u>
Balance, end of period	<u>86,970,167</u>	<u>18,697,585</u>	<u>56,574,758</u>	<u>12,997,688</u>

Rocmec Mining Inc.

(A Development Stage Company)

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2007 (unaudited)

11- SHARE CAPITAL (continued)

Common share purchase options

The Company maintains a stock option plan (the "Plan") whereby the Board of Directors may from time to time grant to employees, officers, directors of, or consultants to the Company, options to acquire common shares in such numbers, for such terms and at such exercise prices as may be determined by the Board of Directors.

The Plan provides that the maximum number of common shares in the capital of the Company that may be reserved for issuance under the Plan shall be equal to 5,000,000 common shares and that the maximum number of common shares which may be reserved for issuance to any one optionee may not exceed 5% of the common shares outstanding at the time of vest. These options must be exercised no later than 5 years after the date of vest.

The option exercise price is established by the Board of Directors and may not be lower than the market price of the common shares at the time of grant.

A summary of changes in the Company's common share purchase options are as follows:

	Number of options	Weighted average exercise price
		\$
Balance, beginning of period	1,125,000	0.276
Granted	850,000	0.215
Exercised	(50,000)	0.210
Balance, end of period	1,925,000	0.251

Rocmec Mining Inc.

(A Development Stage Company)

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2007 (unaudited)

11- SHARE CAPITAL (continued)

Options granted and exercisable as at June 30, 2007:

Number	Exercise price	Expiry date
275,000	0.24 \$	June 2008
400,000	0.30 \$	June 2009
100,000	0.30 \$	December 2009
100,000	0.30 \$	January 2011
250,000	0.26 \$	September 2007
450,000	0.21 \$	November 2011
200,000	0.23 \$	January 2012
150,000	0.21 \$	April 2009
<u>1,925,000</u>		

Accounting for compensation plans

The fair value of options was estimated using the Black-Scholes option pricing model with the following assumptions:

	December 31, 2006	March 31, 2007	June 30, 2007
Risk-free interest rate	3.95%	4.03%	4.18%
Expected volatility	98.30%	84.73%	95.08%
Weighted average expected life	5 years	5 years	2 years
Expected dividends	0.0%	0.0%	0.0%
Charges accounted for in earnings	77,267 \$	31,756 \$	21,819 \$

Rocmec Mining Inc.

(A Development Stage Company)

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2007 (unaudited)

11- SHARE CAPITAL (continued)

Warrants

Outstanding common share purchase warrants, entitling their holders to subscribe to an equivalent number of common shares, were as follows:

	Number of warrants	Weighted average exercise price	Monetary value
		\$	
Balance, beginning of period	12,985,638	0.298	772,083
Granted	19,858,360	0.317	1,163,023
Exercised	(650,000)	(0.165)	(25,257)
Expired	(7,046,888)	(0.363)	(399,678)
Balance, end of period	25,147,110	0.298	1,510,171

Warrants outstanding as at June 30, 2007 are as follows:

Number	Exercise price	Expiry date
1,747,000	0.200 \$	September 2007
41,750	0.240 \$	October 2007
362,500	0.250 \$	October 2007
250,000	0.200 \$	November 2007
1,000,000	0.250 \$	September 2007
446,008	0.400 \$	December 2007
1,250,000	0.250 \$	January 2008
337,500	0.230 \$	March 2008
300,000	0.220 \$	March 2008
2,884,614	0.50 \$ et 0.75 \$	December 2007 and 2008
7,279,050	0.28 \$ et 0.35 \$	February 2008 and 2009
5,952,378	0.30 \$ et 0.35 \$	June 2008 and 2009
2,099,810	0.28 \$ et 0.35 \$	June 2008 and 2009
970,000	0.22 et 0.28 \$	June 2008 and 2009
133,400	0.200 \$	June 2009
93,100	0.229 \$	June 2009
25,147,110		

Rocmec Mining Inc.

(A Development Stage Company)

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2007 (unaudited)

11- SHARE CAPITAL (continued)

During the period, the Company issued 19,858,360 warrants. Each warrant entitles the holder to purchase one common share with expired dates from December 2007 to June 2009 at a price between \$0.20 to \$0.75 per share.

The warrants were issued under private placements to common shareholders and to brokers. They have been accounted for at their value of \$1,145,896 and \$17,127 respectively in warrants under share holder's equity and share issuance charges determined using the Black-Scholes options valuation model.

12- COMMITMENTS

- i) The Company has entered into long-term lease agreements until 2008 for the hiring of spaces and the hiring of equipment. The balance of engagements according to these leases, is established to \$131,462. The minimum lease payments for the following years are as follows:

2008	<u>131,462</u>
	<u>131,462</u>

13- CASH FLOWS

Supplemental cash flows information:

Non-cash investing and financing activities:

Amortization included in the deferred exploration and development charges	287,876
Share issuance paid by warrants	17,127
Future income taxes included in share issuance expenses	949,782
Deferred exploration and development charges financed by accounts payable	1,147,182
Debt settlement by share capital	62,000

Rocmec Mining Inc.

(A Development Stage Company)

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2007 (unaudited)

14- IMPORTANT EVENT

March 2006

The Company concluded transactions aimed at readjusting the exclusive thermal fragmentation licensing agreement with Rocmec International Inc. In accordance with the transactions, the Company has acquired all the equipment from Rocmec International Inc., reduced royalty payments on ounces produced by way of thermal fragmentation and eliminated the minimal guaranteed royalty payments. In return, the Company has taken on certain financial obligations of Rocmec International Inc.

License modification and equipment acquisition

The Company has acquired all the equipment from Rocmec International Inc. The equipment includes the thermal fragmentors and accessories, vacuum equipment and various types of small equipment. The Company entered into a new exclusive licensing agreement that sets royalty payments at \$15,00 per ounce produced by way of thermal fragmentation, wrote off the minimum guaranteed royalty payments and terminates the indemnity agreement. Furthermore, Rocmec International Inc. has agreed to offer to a debenture owner a mortgage on its intellectual property and in turn the Company has offered an open mortgage to Rocmec International Inc.

Compensation

In return, the Company took on certain obligations of Rocmec International Inc. totalling \$2,018,345. In payment of \$1,868,509 of these obligations, a total of 6,450,00 common shares issued at an average price of \$0.29 and 1,000,000 warrants valid for 18 months and will enable the subscriber to acquire one common share at a price \$0.25.

Additionally, Rocmec will take on 2 loans secured by equipment included in the sale for an amount totaling \$150,516.