

Rocmec Mining Inc.

(Exploration Stage Company)

INTERIM CONSOLIDATED FINANCIAL STATEMENTS 3-MONTH PERIOD ENDED DECEMBER 31, 2007 AND 2006

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	2
Consolidated Statements of Earnings and Comprehensive Income	3
Consolidated Deficit	3
Consolidated Contributed Surplus	4
Consolidated Statements of Cash Flows	5
Notes to Consolidated Financial Statements	6 - 21

Rocmec Mining Inc.

(Exploration Stage Company)

CONSOLIDATED BALANCE SHEETS

(unaudited)

	\$	\$
	December 31, 2007	September 30, 2007
ASSETS		
CURRENT ASSETS		
Precious metals - Fair value	19,025	16,743
Accounts receivable and other receivable	11,375	125,086
Sales taxes receivable	168,348	247,150
Tax credits receivable	3,239,670	2,640,039
Prepaid expenses	43,859	121,458
	<u>3,482,277</u>	<u>3,150,476</u>
PROPERTY, PLANT AND EQUIPMENT (Note 4)	1,539,960	1,504,600
FUNDS HELD FOR EXPLORATION AND DEVELOPMENT CHARGES	266,261	100,655
MINING PROPERTIES (Note 5)	1,920,156	1,838,368
DEFERRED EXPLORATION AND DEVELOPMENT CHARGES (Note 6)	12,128,693	10,919,604
SECURITY DEPOSITS	6,440	6,440
THERMAL FRAGMENTATION - EXCLUSIVE LICENCE	1,349,359	1,348,346
	<u>20,693,146</u>	<u>18,868,489</u>
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	1,099,746	2,579,890
Loans (Note 7)	966,855	1,640,087
Current portion of long-term debt (Note 8)	131,890	150,911
Current portion of debentures (Note 9)	1,765,081	255,289
	<u>3,963,572</u>	<u>4,626,177</u>
LONG-TERM DEBT (Note 8)	154,883	174,649
DEBENTURES (Note 9)	1,373,583	2,811,805
FUTURE INCOME TAXES	1,443,016	1,319,732
	<u>6,935,054</u>	<u>8,932,363</u>
SHAREHOLDERS' EQUITY		
Share capital (Note 10)	22,963,709	19,216,927
Contributed surplus	1,094,150	972,823
Warrants (Note 10)	2,942,485	1,580,180
Equity component of convertible debentures	774,944	774,944
Deficit	(14,017,196)	(12,608,748)
	<u>13,758,092</u>	<u>9,936,126</u>
	20,693,146	18,868,489

CONTINGENCIES AND COMMITMENTS (Notes 11 and 12)

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

ON BEHALF OF THE BOARD OF DIRECTORS

(s) Donald Brisebois _____, Director

(s) Daniel Gilbert _____, Director

Rocmec Mining Inc.

(Exploration Stage Company)

CONSOLIDATED STATEMENTS OF EARNINGS AND COMPREHENSIVE INCOME AND DEFICIT

(unaudited)

	\$	\$
	3-month period ended December 31, 2007	3-month period ended December 31, 2006
GENERAL AND ADMINISTRATIVE EXPENSES		
Salaries and fringe benefits	114,654	87,081
Stock-based compensation	52,284	77,267
Insurance	5,550	15,760
Bank charges	1,823	1,422
Trustees fees and registration	4,054	3,299
Management fees	1,500	1,500
Professional fees	115,671	71,699
Financial fees	4,026	157,989
Reporting to shareholders	5,333	3,450
Directors' fees	600	1,200
Rent	11,550	9,375
Stationary and office expenses	5,545	2,701
Telecommunications	3,312	10,116
Travelling and promotion	15,754	21,084
Interest on debentures and long-term debt	185,353	321,831
Autres Intérêts	29,870	-
Amortization of fixed assets	1,925	976
Gain on revaluation of precious metals	12,511	-
Write-off of mining properties	-	1,800
Write-off of deferred exploration and development charges	-	90
	571,315	788,640
LOSS BEFORE INCOME TAXES	(571,315)	(788,640)
INCOME TAXES		
Future income taxes (Note 15)	(123,284)	52,600
NET LOSS AND COMPREHENSIVE INCOME	(694,599)	(736,040)
NET LOSS PER SHARE		
Basic	(0.006)	(0.010)
Diluted	(0.006)	(0.010)
Weighted average number of shares outstanding	112,534,367	71,610,419
DEFICIT AT BEGINNING OF YEAR	(12,608,748)	(8,580,589)
NET LOSS	(694,599)	(736,040)
SHARE ISSUANCE EXPENSES	(713,849)	(301,742)
DEFICIT AT END OF YEAR	(14,017,196)	(9,618,371)

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

Rocmec Mining Inc.

(Exploration Stage Company)

CONSOLIDATED CONTRIBUTED SURPLUS

(unaudited)

	\$	\$
	December 31, 2007	September 30, 2007
BALANCE, BEGINNING OF YEAR	972,823	265,029
Options granted	52,284	130,842
Warrants expired	69,043	582,407
Options exercised	-	(5,455)
BALANCE, END OF YEAR	1,094,150	972,823

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

Rocmec Mining Inc.

(Exploration Stage Company)

CONSOLIDATED STATEMENTS OF CASH FLOWS

(unaudited)

	\$	\$
	3-month period ended December 31, 2007	3-month period ended December 31, 2006
OPERATING ACTIVITIES		
Net loss	(694,599)	(736,040)
Operating items not involving cash		
Non-cash interest expense on convertible debentures	71,570	11,648
Amortization of fixed assets	1,925	976
Stock-based compensation	52,284	77,267
Write-off of mining properties	-	1,800
Write-off of deferred exploration and development charges	-	90
Future income taxes	123,284	(52,600)
Changes in working capital items	48,460	(2,192,638)
Cash flows from operating activities	(397,076)	(2,889,497)
INVESTING ACTIVITIES		
Changes in precious metals	(2,282)	37,523
Acquisition of fixed assets	(116,592)	(15,414)
Acquisition (disposal) of mining properties	(81,788)	(1,800)
Acquisition of intangible assets	-	5,449
Deferred exploration and development charges	(2,882,351)	(26,570)
Funds held for exploration and development charges	(165,606)	329,572
Acquisition of thermal fragmentation - exclusive licence	(1,013)	(5,736)
Cash flows from investing activities	(3,249,632)	323,024
FINANCING ACTIVITIES		
Issuance of debenture	-	1,346,000
Loan reimbursement	(673,232)	-
Long-term debt reimbursement	(38,787)	(34,278)
Share issuance expenses	(593,372)	(74,825)
Share capital issued and to be issued	3,641,228	921,442
Issuance of warrants	1,310,871	221,398
Equity component of convertible debentures	-	154,000
Cash flows from financing activities	3,646,708	2,533,737
NET INCREASE (DECREASE) IN CASH AN CASH EQUIVALENTS	-	(32,736)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	-	16,553
CASH AND CASH EQUIVALENTS, END OF YEAR	-	(16,183)
Interest paid	249,679	330,427

Supplemental cash flows information (Note 13)

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

Rocmec Mining Inc.

(Exploration Stage Company)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 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, 2007. 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, 2007 financial statements.

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

2- GOING CONCERN

These 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 raise additional funds and while it has been successful in doing so in the past, there is no assurance it will be able to do so in the future.

These 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.

Rocmec Mining Inc.

(Exploration Stage Company)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2007 (unaudited)

3- FINANCIAL INSTRUMENTS

The Company is exposed to various financial risks that result from both its operations and its investment activities. Financial risk management is carried out by the Company's management.

The Company did not conclude contracts for financial instruments, including financial derivatives, for speculative purposes. The main financial risks to which the Company is exposed, as well as the policy on financial risk management are as follows:

Liquidity risk

The liquidity risk management aims to maintain a sufficient amount of cash and cash equivalents and ensure that the company has source of financing of sufficient amounts authorized. The Company prepares budget forecasts and cash-flow budget to ensure that it has available funds to meet its obligations.

Credit risk

The Company is subject to the risk of concentration of credit through its tax credits receivable from the Government of Quebec.

Interest rate Risk

The loans and debentures issued by the Company shall bear interest at a fixed rate and thus the Company is exposed to the risk of change in fair value resulting from fluctuations in interest rates.

Fair value

Financial instruments book values and fair values were as follows:

	<u>December 31, 2007</u>	
	<u>Book value</u>	<u>Fair value</u>
<u>Other financial liabilities</u>		
Long-term debt	286,773	286,773
Convertible debentures	3,138,664	3,138,664

The fair value of cash and cash equivalents, precious metals, accounts receivable and other receivable, tax credits receivable, 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 long-term debt and debentures are estimated using discounted cash-flow analysis, based on current corresponding borrowing rates for similar types of borrowing arrangements.

Rocmec Mining Inc.

(Exploration Stage Company)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2007 (unaudited)

4- PROPERTY, PLANT AND EQUIPMENT

	December 31, 2007			September 30, 2007		
	Cost	Accumulated amortization	Net value	Cost	Accumulated amortization	Net value
	\$	\$	\$	\$	\$	\$
Equipment	1,651,038	527,070	1,123,968	1,538,114	471,533	1,066,581
Gravimetric plant	523,758	238,030	285,728	523,758	222,992	300,766
Computer equipment	31,311	13,376	17,935	27,643	11,660	15,983
Automotive equipment	172,699	77,729	94,970	172,699	70,029	102,670
	<u>2,378,806</u>	<u>856,205</u>	<u>1,522,601</u>	<u>2,262,214</u>	<u>776,214</u>	<u>1,486,000</u>
Capital lease						
Equipment	6,850	993	5,857	6,850	685	6,165
Automotive equipment	20,900	9,398	11,502	20,900	8,465	12,435
	<u>27,750</u>	<u>10,391</u>	<u>17,359</u>	<u>27,750</u>	<u>9,150</u>	<u>18,600</u>
	<u>2,406,556</u>	<u>866,596</u>	<u>1,539,960</u>	<u>2,289,964</u>	<u>785,364</u>	<u>1,504,600</u>

Rocmec Mining Inc.

(Exploration Stage Company)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2007 (unaudited)

5- MINING PROPERTIES

	Balance as at September 30, 2006	Addition	Write-off	Balance as at September 30, 2007	Addition	Write-off	Balance as at December 31, 2007
Montauban	804,694	2,964	-	807,658	(25,000)	-	782,658
Denain	147,584	(5,016)	-	142,568	-	-	142,568
Courville-Maruska	140,831	-	(140,831)	-	-	-	-
Vauquelin	-	96	(96)	-	-	-	-
Lac Rose	-	1,800	(1,800)	-	-	-	-
Rocmec 1 (Russian Kid)	888,142	-	-	888,142	-	-	888,142
Tiblemont	71,500	-	(71,500)	-	-	-	-
Puma	-	-	-	-	106,788	-	106,788
	2,052,751	(156)	(214,227)	1,838,368	81,788	-	1,920,156

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. After the year-end, conditions on which the option was granted were not fulfilled.

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 additional ounces.

e) Tiblemont project - Tiblemont township, Québec

A 100% interest in 6 mining claims.

f) Puma project - Arequipa region, Peru

Option agreement to acquire 6 mining concessions cover 1,700 hectares and are located approximately 80 km from the city of Arequipa in Peru.

Rocmec Mining Inc.

(Exploration Stage Company)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2007 (unaudited)

6- DEFERRED EXPLORATION AND DEVELOPMENT CHARGES

	Balance as at September 30, 2006	Deferred exploration and development charges	Write-off	Tax credit	Balance as at September 30, 2007	Deferred exploration and development charges	Write-off	Tax credit	Balance as at December 31, 2007
Montauban	792,569	74,496	-	(30,528)	836,537	-	-	-	836,537
Denain	1,070,604	-	-	43,554	1,114,158	-	-	-	1,114,158
Courville-Maruska	4,124	-	(4,577)	453	-	-	-	-	-
Vauquelin	-	-	(911)	911	-	-	-	-	-
Lac Rose	-	-	(13,933)	13,933	-	-	-	-	-
Rocmec 1 (Russian Kid)	3,412,871	7,975,029	-	(2,418,991)	8,968,909	1,808,719	-	(599,630)	10,177,998
Others	-	-	(5,851)	5,851	-	-	-	-	-
	5,280,168	8,049,525	(25,272)	(2,384,817)	10,919,604	1,808,719	-	(599,630)	12,128,693

Rocmec Mining Inc.

(Exploration Stage Company)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2007 (unaudited)

6- DEFERRED EXPLORATION AND DEVELOPMENT CHARGES (continued)

DETAIL OF DEFERRED EXPLORATION AND DEVELOPMENT CHARGES

	<u>December 31, 2007</u>
Diamond drilling	82,183
Thermal fragmentation	45,071
Development drifts and raises	361,233
Supervision	133,391
Maintenance	574,713
Surface	157,363
Technical services	23,750
Other exploration expenses	98,031
Transport and milling	28,621
Royalty	47,388
Equipment rental	190,540
Mineral sales	(12,873)
Amortization of fixed assets	79,308
	<hr/>
	1,808,719
	<hr/>

7- LOANS

Loans, bearing 15% interest, secured by tax credit receivable relating to exploration having a net book value of \$2,014,683, maturing April 2008.

874,000

Loan reimbursable in gold, bearing 1% monthly 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%. At December 31, 2007, an amount of \$92,855 had not yet been reimbursed. The Company has reached an agreement with lenders allowing a reimbursement at demand.

92,855

966,855

Rocmec Mining Inc.

(Exploration Stage Company)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2007 (unaudited)

8- LONG-TERM DEBT

December 31, 2007

Obligations under capital lease secured by the equipment and the automotive equipment of a net book value of \$17,359, 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.

9,077

Loans secured by automotive equipment of a net book value of \$94,970 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.

96,484

Loan secured by thermal fragmentor of a net book value of \$135,253 repayable by monthly installments of \$5,213 including principal and interest calculated at a rate 9.2%, maturing August 2008.

40,308

Loans secured by loader of a net book value of \$103,284 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.

140,904

286,773

Current portion

131,890

154,883

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

	<u>Long-term debt</u>	<u>Capital lease</u>	<u>Total</u>
2008	123,283	9,206	132,489
2009	64,094	457	64,551
2010	52,950	-	52,950
2011	37,369	-	37,369
Total minimum lease payments	<u>277,696</u>	<u>9,663</u>	<u>287,359</u>

Amounts included in minimum lease payments

Interest expense

586

9,077

Rocmec Mining Inc.

(Exploration Stage Company)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2007 (unaudited)

9- DEBENTURES

December 31, 2007

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.

738,735

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.

130,781

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.

1,419,148

Balance to carry-forward

2,288,664

Rocmec Mining Inc.

(Exploration Stage Company)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2007 (unaudited)

9- DEBENTURES (continued)

December 31, 2007

Carry-forward balance

2,288,664

Others debentures

Debentures, totalling \$850,000, bearing interest rate of 12% and maturing on March 2009. The debentures are redeemable at all times with a penalty equal to three months interest and are convertible into common shares at the Company's option 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 half-yearly in common shares.

850,000

3,138,664

Current portion

1,765,081

1,373,583

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

	<u>\$</u>
2008	1,765,081
2009	1,250,907
2010	122,676
	<u>3,138,664</u>

Rocmec Mining Inc.

(Exploration Stage Company)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2007 (unaudited)

10- 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:

	December 31, 2007		September 30, 2007	
	Number	Amount	Number	Amount
Shares issued		\$		\$
Balance, beginning of year	90,470,166	19,216,927	55,288,070	12,640,688
Paid in cash	566,676	76,538	13,813,810	2,336,269
Flow-through financing	26,944,982	3,564,690	20,294,120	4,011,258
Exercise of warrants	-	-	650,000	132,757
Debt settlement	587,921	105,554	374,166	80,000
Exercise of share purchase options	-	-	50,000	15,955
Balance, end of year	118,569,745	22,963,709	90,470,166	19,216,927
Weighted average number of shares outstanding	<u>112,534,367</u>		<u>71,610,419</u>	

Rocmec Mining Inc.

(Exploration Stage Company)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2007 (unaudited)

10- 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 options currently granted are subject to a minimum of a sixth vesting period for which options will vest gradually, except those granted to consultants providing investor relations services for which options will vest over 12 months.

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:

	December 31, 2007		September 30, 2007	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
		\$		\$
Balance, beginning of year	1,925,000	0.263	1,125,000	0.276
Granted	480,000	0.160	1,250,000	0.242
Exercised	-	-	(50,000)	0.210
Expired	(400,000)	0.300	(400,000)	0.241
Balance, end of year	2,005,000	0.231	1,925,000	0.263
Options exercisable at the end	<u>1,469,997</u>		<u>1,683,332</u>	

Rocmec Mining Inc.

(Exploration Stage Company)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2007 (unaudited)

10- SHARE CAPITAL (continued)

Options granted and exercisable as at December 31, 2007:

<u>Options granted</u>	<u>Options exercisable</u>	<u>Exercise price</u>	<u>Expiry date</u>
275,000	275,000	0.24 \$	June 2008
400,000	400,000	0.30 \$	June 2009
100,000	100,000	0.30 \$	December 2009
100,000	100,000	0.30 \$	January 2011
450,000	379,165	0.21 \$	November 2011
200,000	133,332	0.23 \$	January 2012
480,000	82,500	0.16 \$	October 2012
<u>2,005,000</u>	<u>1,469,997</u>		

Accounting for compensation plans

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

	<u>December 31, 2007</u>
Weighted average Risk-free interest rate	4.31%
Weighted average Expected volatility	88.19%
Weighted average Expected life	60 months
Expected dividends	0.0%
Fair value	0.109 \$

Compensation cost for stock-based employee recognized in earnings amounts to \$52,284.

Rocmec Mining Inc.

(Exploration Stage Company)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2007 (unaudited)

10- SHARE CAPITAL (continued)

Warrants

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

	December 31, 2007		
	Number of warrants	Weighted average exercise price	Fair value allocated
		\$	
Balance, beginning of year	26,823,684	0.289	1,580,180
Granted	30,026,707	0.048	1,431,348
Exercised	-	-	-
Expired	(1,100,258)	(0.063)	(69,043)
Balance, end of year	55,750,133	0.164	2,942,485

	September 30, 2007		
	Number of warrants	Weighted average exercise price	Fair value allocated
		\$	
Balance, beginning of year	12,985,638	0.298	772,083
Granted	24,281,934	0.311	1,415,761
Exercised	(650,000)	(0.165)	(25,257)
Expired	(9,793,888)	(0.363)	(582,407)
Balance, end of year	26,823,684	0.289	1,580,180

Rocmec Mining Inc.

(Exploration Stage Company)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2007 (unaudited)

10- SHARE CAPITAL (continued)

Warrants outstanding as at December 31, 2007 are as follows:

Number	Exercise price	Expiry date
1,250,000	0.250 \$	January 2008
337,500	0.230 \$	March 2008
300,000	0.220 \$	March 2008
3,115,383	0.50 \$ et 0.75 \$	December 2007 and 2008
8,006,955	0.28 \$ et 0.35 \$	February 2008 and 2009
6,547,615	0.30 \$ et 0.35 \$	June 2008 and 2009
2,128,310	0.28 \$ et 0.35 \$	June 2008 and 2009
1,013,000	0.22 et 0.28 \$	June 2008 and 2009
291,332	0.159 \$	August 2009
900,000	0.30 \$ et 0.35 \$	September 2008 and 2009
1,833,331	0.25 \$ et 0.30 \$	September 2008 and 2009
22,125,579	0.25 \$ et 0.30 \$	October 2008 and 2009
4,958,415	0.30 \$ et 0.35 \$	October 2008 and 2009
2,942,713	0.25 \$ et 0.30 \$	November 2008 and 2009
<u>55,750,133</u>		

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

	<u>December 31, 2007</u>
Weighted average Risk-free interest rate	4.08%
Weighted average expected volatility	92.89%
Weighted average expected life	24 months
Expected dividends	0.0%

During the period, the Company issued 30,026,707 warrants. Each warrant entitles the holder to purchase one common share with expiry dates from October 2008 to November 2009 at a price between \$0.25 to \$0.35 per share.

The warrants were issued under private placements to common shareholders and to brokers. They have been accounted for at their value of \$1,310,871 and \$120,477 respectively in warrants under share holder's equity and share issuance charges.

Rocmec Mining Inc.

(Exploration Stage Company)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2007 (unaudited)

11- CONTINGENCIES

The Company's operations are governed by governmental laws and regulations regarding environmental protection. The environmental consequences are hardly identifiable, whether it is the result level, the impact or its deadline. At the present time and to the best knowledge of its management, the Company is in conformity with the laws and regulations. A provision of \$18,500 for restoration of the premises is included in the accounts payable and accrued liabilities. It is possible that real account payable differ from this estimate.

12- COMMITMENTS

- i) The Company has entered into long-term lease agreements until 2010 for the hiring of spaces and the hiring of equipment. The balance of engagements according to these leases, is established to \$155,200. The minimum lease payments for the following years are as follows:

2008	77,162
2009	46,823
2010	31,215
	<hr/>
	155,200
	<hr/>

- ii) The Company entered into an agreement with an independent private company to acquire the exclusive rights to operate the thermal fragmentation in the narrow vein. By this agreement, the company can use the exploitation method, develop it or handover sub-licenses.

In counterpart of the rights acquired by this agreement, the company will pay a royalty calculated on the quarterly production. The Company entered into a new exclusive licensing agreement that sets royalty payments at \$15,00 per ounce produced by way of thermal fragmentation.

The Company can terminate this agreement at any time without penalty or compensation, by giving the assignor a written notice of 90 days, by which the Company will be released of all it's obligations towards the assignor.

- iii) The Company is committed to spend exploration expenses amounting to \$4,224,857 relating to flow-through financing. These expenses have to be spent before December 31, 2008.

Rocmec Mining Inc.

(Exploration Stage Company)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2007 (unaudited)

13- CASH FLOWS

Supplemental cash flows information:

December 31, 2007

Non-cash investing and financing activities:

Amortization included in the deferred exploration and development charges	79,308
Share issuance expense paid by the issuance of warrants	120,477
Tax credit receivable deducted from exploration and development charges	599,631
Deferred exploration and development charges financed by accounts payable	807,534
Debt settlement paid by the issuance of share capital	105,554
Warrants expired transferred to contributed surplus	69,043

14- RELATED PARTY TRANSACTIONS

During the period, the Company incurred the following expenses with a company controlled by director of the Company. These transactions occurred during the normal course of operations and were measured at the exchange amount that is the amount established and accepted by the parties.

December 31, 2007

Exploration charges

Geology

6,000