GEOMEGA RESOURCES INC.
INTERIM MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE SIX-MONTH PERIOD ENDED NOVEMBER 30, 2012

The following Management's Discussion and Analysis ("MD&A"), of financial condition and results of operations of Geomega Resources Inc. (the "**Company**" or "**GéoMégA**") should be read together with the accompanying unaudited condensed interim financial statements and related notes of the Company for the three and six-month periods ended November 30, 2012. These financial statements of the Company have been prepared by management in accordance with International Financial Reporting Standards ("IFRS") applicable to preparation of interim financial statements, including IAS 34 – Interim Financial Reporting. This MD&A should be read in conjunction with the Company's audited financial statements and accompanying notes for the year ended May 31, 2012. The financial statements for the three and six-month periods ended November 30, 2012 have not been audited or reviewed by the Company's auditors and the accounting principles are consistent with those set out in the Company's audited financial statements for the year ended May 31, 2012. This MD&A has been prepared in compliance with the requirements of National Instrument 51-102 – *Continuous Disclosure Obligations.* The information presented in this MD&A is dated January 17, 2013. All amounts presented are in Canadian dollars.

Our MD&A contains **forward-looking statements** not based on historical facts. Forward-looking statements express, as of the date of this report, our estimates, forecasts, projections, expectations and opinions as to future events or results. Forward-looking statements herein expressed are reasonable, but involve a number of risks and uncertainties, and there can be no assurance that such statements will prove to be accurate. Therefore, actual results and future events could differ materially from those anticipated in such statements. Factors that could cause results or events to differ materially from current expectations expressed or implied by the forward-looking statements include, but are not limited to, fluctuations in the market price of precious metals, mining industry risks, uncertainty as to calculation of mineral reserves and requirements of additional financing and the capacity of the Company to obtain financing.

The Company's shares are traded on the TSX Venture Exchange under the symbol **GMA** and 34,690,113 shares were outstanding as of January 17, 2013. Additional information is available through www.sedar.com or www.ressourcesgeomega.ca.

COMPANY PROFILE AND MISSION

GéoMégA, which owns 100% of the Montviel Rare Earths/Niobium project, is a Québec mineral exploration Company focused on finding economically viable deposits of minor metals, such as rare earths elements ("REE"), niobium and graphite in Quebec. GéoMégA is committed to meeting Canadian mining industry standards and distinguishing itself with its expertise, know-how and its support and respect for local communities and the environment.

The Province of Quebec consistently ranks among the top mining jurisdictions globally. Significant refundable tax credits (40%+ of exploration expenditures), experienced work force and the validity of mining claims are all distinct advantages.

As society emerges from fossil energy to a more efficient and sustainable source, GéoMégA believes that the future of clean energy resides in the REE called neodymium. Neodymium is vital for the production of high-performance permanent-magnet materials, used in a wide variety of electrical machines. Such machines are already in increasing demand with the growth of sustainable-energy initiatives such as hybrid and electric vehicles and direct-drive wind turbines.

OVERALL PERFORMANCE

Montviel Property (REE - 100% interest)

The Montviel project benefits from permanent access, public infrastructure and available labour in the immediate area. The project site is located approximately 100 km north of Lebel-sur-Quévillon (pop. 2,800) and 45 km west of the Cree First Nation of Waswanipi (pop. 1,800) in the urbanised southern part of Northern Quebec.

The property carries a 2% net output royalty to NioGold Mining Corp. (TSX.V: NOX). There are no environmental liabilities pertaining to the property nor is the property subject to any litigation.

A carbonatite complex hosts the REE and niobium mineralization at Montviel. The central part of the complex ("Core Zone") is made of a ferro-carbonatite where the highest values in both REE and niobium are found. Up to now, the Company has defined the mineralized ferro-carbonatite over a length of 900 metres (NE-SW), a width of 650 metres (NW-SE) and a depth of 750 metres. The following tables provide a summary of the published NI 43-101 resource estimate released in 2011 (see September 28, 2011 and November 14, 2011 press releases for details).

Cut-off TREO (%)	Resources	Tonnage (million T)	Density (t/m3)	TREO[1] (%)	IREO[2] (%)	HREO[3] (%)
1.00	Indicated	183.9	2.92	1.453	0.037	0.004
1.00	Inferred	66.7	2.89	1.460	0.039	0.005

[1] Total Rare Earth Oxides (TREO) include: La_2O_3, Ce_2O_3, Pr_2O_3, Nd_2O_3, Sm_2O_3, Eu_2O_3, Gd_2O_3, Tb_2O_3, Dy_2O_3, Ho_2O_3, Er_2O_3, Tm_2O_3, Yb_2O_3, Lu_2O_3, Y_2O_3.
[2] Intermediate Rare Earth Oxides (IREO) include: Sm_2O_3, Eu_2O_3 and Gd_2O_3.
[3] Heavy Rare Earth Oxides (HREO) include: Tb_2O_3, Dy_2O_3, Ho_2O_3, Er_2O_3, Tm_2O_3, Yb_2O_3 and Lu_2O_3.

Resources	Tonnage (million T)		**Nd_2O_3**	Pr_2O_3	**Dy_2O_3**	Eu_2O_3	Y_2O_3	**Nb_2O_5**
Indicated	183.9	Kg / Tonne	**2.425**	0.755	**0.023**	0.082	0.072	**1.257**
		Million-Kg in-situ	**446.0**	139.0	**4.19**	9.0	13.0	**231.0**
Inferred	66.7	Kg / Tonne	**2.404**	0.751	**0.025**	0.086	0.078	**1.403**
		Million-Kg in-situ	**160.0**	50.0	**1.65**	3.0	5.0	**94.0**

The detailed mineralogical study by SGS-Lakefield identified the main REE carrying minerals as being coarse grained fluoro-carbonates of the basnasite-synchisite family (see August 24, 2012 press release). Processing of fluoro-carbonates carrying REE is proven on an industrial scale.

NI 43-101 Resource Update

The updated NI 43-101 compliant resource estimate for the Montviel Core Zone is scheduled for Q2-CY2013. The economic elements considered for the cut-off grade will be: neodymium, europium, praseodymium, dysprosium, niobium and gadolinium.

Preliminary Economic Assessment ("PEA")

G Mining Services Inc. and Golder Associates Ltd. were retained to complete a PEA (see January 10, 2012 and March 20, 2012 press releases). The PEA results are expected by the end Q2-CY2013.

Beneficiation and hydrometallurgical tests performed by G Mining Services Inc. to optimize the recoveries of both REE and niobium are progressing.

Based on the results to date, G Mining Services Inc. is developing a conventional metallurgical recovery process flow sheet.

Physical Separation of REE

GéoMegA's metallurgical consultant and École Polytechnique in Montreal (a renowned Canadian engineering school) have worked on a process to separate REE from concentrate (the "Pearse Technology") since October 2011. The Pearse Technology is being refined at the École Polytechnique to address specifically the Montviel concentrate. GéoMégA is filing patents in multiple jurisdictions.

EXPLORATION RESULTS

During the three and six-month periods, the Company added $1,071,090 and $1,723,271, respectively in exploration and evaluation ("E&E") assets in relation to the Montviel property ($1,404,355 for the three and six months in previous year).

	Three-Month Period Ended November 30,		Six-Month Period Ended November 30,	
Exploration	**2012 $**	**2011 $**	**2012 $**	**2011 $**
Assays and drilling	**69,298**	792,930	**224,081**	792,930
Geology	**142,487**	393,139	**388,134**	393,139
Mineralogy and metallurgy	**184,342**	8,500	**270,409**	8,500
Transport and lodging	**91,824**	72,036	**177,644**	72,036
Geophysics and geochemistry	**64,557**	32,897	**122,773**	32,897
Other	**11,977**	104,853	**33,625**	104,853
Total Exploration	**564,485**	1,404,355	**1,216,666**	1,404,355

	Three-Month Period Ended November 30,		Six-Month Period Ended November 30,	
Evaluation	**2012 $**	**2011 $**	**2012 $**	**2011 $**
Market study	7,000	-	7,000	-
Mine design	79,585	-	79,585	-
Hydrogeology, geochemistry, geotechnical and geomechanic	221,777	-	221,777	-
Environmental baseline	88,308	-	88,308	-
Infrastructure	9,585	-	9,585	-
Tailing pond	40,920	-	40,920	-
Metallurgy and processing	59,430	-	59,430	-
Total Evaluation	**506,605**	**-**	**506,605**	**-**
Total E&E assets capitalized	**1,071,090**	1,404,355	**1,723,271**	1,404,355

The E&E activities performed during the quarter and for the six months ended November 30, 2012 have allowed the Company to gather valuable information to include and advance the Montviel PEA and the metallurgical processing with the optimisation of the flow sheet.

As at November 30, 2012, the carrying value of the Montviel property is $12,518,359 comprised of $7,052,668 for acquisition cost of the mineral property and $5,465,691 in capitalized E&E assets.

Other properties

Anik property (Gold – 100% interest)

The Anik property is located 40 km south of the City of Chapais and is consists of 170 claims. The previous work of geological compilations had already confirmed the potential of the property for gold-bearing mineralization. Several gold-bearing showings and deposits (Philibert, Néligan, Lake Meston) are found in the vicinity of the Anik property. A very short field program during June 2012 has led to the identification of 3 metric and angular erratic blocks anomalous in gold (0.19 to 3.46 gt Au). These blocks are located in a sector where the heavy minerals concentrate in tills which are strongly anomalous in gold (up to 34 g/t Au). During the second quarter, a second program was undertaken to continue the investigation of gold anomalous areas, including in the areas not already visited. In addition to the gold anomalous erratic blocks found during the previous quarter, the results of till and soil samples had confirmed the gold mineralization potential of the area south of Lake Caopatica including two new anomalous areas (up to 71 gold grains, usually angular micro flakes, in the north-west area and from 10 to 31 gold grains in the southern area of the property). The company expects to receive the results of the gold analysis of its heavy mineral concentration from the till samples during Q1-CY2013.

For the quarter and six months ended November 30, 2012, exploration and evaluation expenses at Anik amounted to $60,035 and $70,480, respectively.

Curières property (Graphite – 100% interest)

Curières property is located 10 km north of the City of L'Ascension in the upper Laurentians and consists of 45 claims totaling 2,457 hectares. The access to the property is excellent and gravel roads have been completely restored following recent logging activities. In 2011, the Company acquired this property to investigate its potential for graphite mineralization. A short field program was completed to evaluate historical graphite showings on the property. The intervention allowed the Company to visit approximately ten historical showings and has led to the discovery of three new graphite showings. The mineralization is composed of graphite flakes from 0.1 to 2.0 mm at concentrations from 1 to 20% in a medium grain size paragneiss rocks and locally, pyrite / pyrrhotite, chalcopyrite and sphalerite were observed. A total of 23 samples were sent to the laboratory for multi-elemental and organic carbon (graphite) analysis. The results are pending and the Company expects to receive them during Q1-CY2013. A study of polished thin sections of some showings is also planned to assess the physical characteristics of graphite crystals.

For the quarter and six months ended November 30, 2012, exploration and evaluation expenses at Curières amounted to $203 and $203, respectively. The work described above was carried out after the end of the quarter.

Other properties

During the second quarter ended November 30, 2012, the Company reviewed its mineral properties and decided to write-off a total of 8 properties totaling $28,080. For the quarter and six months ended November 30, 2012, exploration and evaluation expenses at the Company's other properties amounted to $103,014 and $304,509 respectively.

Geological information presented herein was prepared and summarized by Alain Cayer, Geo., Msc., VP Exploration and, qualified person pursuant to National Instrument 43-101.

Corporate

On November 22, 2012, the Company completed a brokered flow-through private placement and issued 4,620,000 common shares at $0.50 each for gross proceeds of $2,310,000. The Company will use the proceeds for exploration on its properties in Québec and the advancement of the PEA at Montviel.

On December 5, 2012, the Company closed a second tranche of its brokered flow-through private placement and issued 756,000 common shares at $0.50 each for gross proceeds of $378,000. The Company will use the proceeds for exploration on its properties in Québec and the advancement of the PEA at Montviel.

RESULTS OF OPERATIONS

For the quarter ended November 30, 2012, the Company incurred a loss of $861,130 (2011 - $886,340). The decrease of $25,210 is mainly related to the following three factors: 1-higher salaries and employee benefits of $143,995 (2012 - $388,012 vs 2011 - $244,017) related to the non-cash stock based compensation recorded for the period offset by 2- lower exploration and evaluation expenses of 153,840$ (2012 - $100,911 vs 2011 – $254,751) related to the others properties and 3- impairment of the exploration and evaluation assets of $28,080 (2011 – Nil).

The Company's exploration and evaluation expenses for the quarter ended November 30, 2012 totalled $100,911 ($163,252 net of estimated tax credits receivable of $62,341). The expenses were primarily incurred on the Anik and Macdonald properties for geological survey, analysis, prospecting and sampling.

For the six months ended November 30, 2012, the Company incurred a loss of $1,619,366 (2011 – $1,787,737). The decrease of $168,371 is mainly related to an increase in salaries and employee benefits and professional fees and offset by lower expenses for travel, conference and investor relations.

The Company's exploration and evaluation expenses for the six months ended November 30, 2012 totalled $230,666 ($375,192 net of estimated tax credits receivable of $144,526). The expenses were incurred primarily on the Anik and Macdonald properties for geological survey, analysis, prospecting and sampling.

SUMMARY OF QUARTERLY RESULTS

	2013		2012				2011	
(in thousands of dollars, except for per share amounts)	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Revenues	1	1	4	4	12	10	8	7
Loss and comprehensive loss	861	758	1,488	352	887	912	914	578
Loss per share – basic and diluted	0.03	0.03	0.06	0.01	0.04	0.04	0.04	0.04

The variations in the quarterly results are explained as follow:

2013-Q2 Significant reduction in exploration and evaluation expenses of $153,840 compared to Q2-2012;

2013-Q1 Significant reduction in exploration and evaluation expenses of $465,374 compared to Q1-2012;

2012-Q4 Impairment of Pump Lake, Émilie, Sydney and Oriana properties totalling $461,616;

2012-Q3 Legal fees of $28,100 for Pre-Development agreement with the Cree First Nation of Waswanipi;

2012-Q2 Significant fees paid for the 2011 AGM in Montreal and the recognition of option-based payment totalling $112,844;

2012-Q1 Marketing efforts to publicize the Company: Investors relations contract and independent research report totalling $118,809 and E&E expenditures of $595,129;

2011-Q4 Social charges of $30,118 related to exercised options and E&E expenditures of $696,209

2011-Q3 E&E expenditures of $430,077;

LIQUIDITY AND CAPITAL RESOURCES

As at November 30, 2012, the Company had cash of $1,965,307, debt and obligations of $797,458 and working capital of $2,920,747 (May 31, 2012, $3,285,042, $1,618,715 and $4,104,117 respectively).

Over the next twelve months, the obligation under the capital leases will be $111,259.

The Company considers that the working capital will not be sufficient to meet the Company's obligations and budgeted expenditures through May 31, 2013. The Company expects to meet additional financing requirements through equity or debt financing. The Company may seek other alternatives for financing in the future depending on market conditions and exploration results; however, there can be no assurance that such financing attempts will be successful. The global economy and financial markets have been unpredictable for many months and have impacted our business and its ability to finance and as a result have affected our overall liquidity. The equity markets have not recovered and financing remains difficult, especially for junior exploration companies.

On October 24, 2012, the Company issued 40,000 common shares valued at $17,200 in relation to the option agreement on the Oriana property.

On November 22, 2012, the Company completed a brokered flow-through private placement and issued 4,620,000 common shares at $0.50 each for gross proceeds of $2,310,000. The flow-through premium was estimated at $508,200 and recorded as flow-through share liability. In relation to this placement, the Company paid a cash commission of $224,466 to the brokers and issued 231,000 non-transferable brokers' options (valued at $34,650) allowing the holder to acquire one common share of the Company at a price of $0.50 until May 22, 2014.

On December 5, 2012, the Company closed the second tranche of its brokered flow-through private placement by issuing 756,000 common shares priced at $0.50 for gross proceeds of $378,000. As part of the transaction, the company issued 37,800 non-transferable brokers' options allowing the holder to acquire one common share of the Company at a price of $0.50 until June 5, 2014.

Commitments

Sidex loan: As at November 30, 2012, the loan balance was $711,000 with accrued interest of $9,480. The loan bears an 8% interest rate and matures on December 31, 2013.

Office lease: The Company has entered into a lease agreement for office space expiring on September 30, 2013. As at November 30, 2012, the total obligation under this agreement was $25,179 due in FY2013.

Capital leases: The Company has entered into financing leases for the acquisition of E&E equipment. As at November 30, 2012, the balance due under these leases is $111,259. For the next 12 months, the portion of the financing leases that must be reimbursed totals $111,160 and $99 is due in 13-24 months.

Flow-through Financing: As at November 30, 2012, the Company had restricted cash of $2,310,000 available to fund eligible flow-through exploration expenditures.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

RELATED PARTY TRANSACTIONS

The key management personnel is comprised of members of the Board of Directors, the President and CEO, the Chief Financial Officer and the Vice-President, exploration. Key management personnel remuneration is presented in the following table:

	Three month period ended November 30,		Six month period ended November 30,	
	2012	2011	2012	2011
	$	$	$	$
Short-term employee benefits				
Salaries including bonuses and benefits	205,178	100,000	325,178	150,964
Professional fees	-	28,400	-	60,625
Total short-term employee benefits	205,178	128,400	325,178	211,589
Stock-based compensation	149,888	99,836	350,417	132,253
Total remuneration	355,066	228,236	675,595	343,842

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the unaudited condensed interim financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. The unaudited condensed interim financial statements include estimates that, by their nature, are uncertain. The impact of such estimates is pervasive throughout the unaudited condensed interim financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant assumptions about the future that management has made that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to but are not limited to the following:

- Recoverability of the tax credits and credits on duties that are included in the unaudited condensed interim statements of financial position;
- Estimated value of exploration and evaluation assets that is recorded in the unaudited condensed interim statements of financial position;
- Inputs used in accounting for stock-based compensation transactions in profit or loss in the current and prior periods;
- Management's assumption of no material restoration, rehabilitation and environmental exposure, based on the facts and circumstances that existed in the current and prior periods.

CHANGE IN ACCOUNTING POLICY

There are no relevant changes in accounting standards applicable to future periods other than as disclosed in the section entitled "Accounting Policies" in the Company's MD&A for the fiscal year ended May 31, 2012.

ADDITIONAL INFORMATION

Outstanding Shareholders' Equity Data

As at January 17, 2013, the following are outstanding:

•	Common Shares	34,690,113
•	Stock Options	2,913,540
•	Warrants	4,667,432
•	Brokers' options	493,987
•	Brokers' options on units	134,750

RISK FACTORS

An investment in the securities of the Company is highly speculative and involves numerous and significant risks. Such investment should be undertaken only by investors whose financial resources are sufficient to enable them to assume these risks and who have no need for immediate liquidity in their investment. Prospective investors should carefully consider the risk factors that have affected, and which in the future are reasonably expected to affect, the Company and its financial position. Please refer to the section entitled " Risk and Uncertainties" in the Company's management's discussion and analysis for the fiscal year ended May 31, 2012 available on SEDAR at www.sedar.com.

In addition to the risks outlined in the Company's May 31, 2012 management's discussion and analysis, GéoMégA has identified the extreme volatility occurring in the financial markets as a significant risk for the Company. As a result of the market turmoil, investors are moving away from assets they perceive as risky to those they perceive as less so. Companies like GéoMégA are considered risk assets and as mentioned above are highly speculative. The volatility in the markets and investor sentiment may make it difficult for the Company to access the capital markets to raise the capital it will need to fund its current level of expenditures.

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL INFORMATION

The Company's financial statements are the responsibility of the Company's management, and have been approved by the board of directors. The financial statements were prepared by the Company's management in accordance with generally accepted Canadian accounting principles. The financial statements include certain amounts based on the use of estimates and assumptions. Management has established these amounts in a reasonable manner, in order to ensure that the financial statements are presented fairly in all material respects.

(Signed) Simon Britt CPA, CA,
President and CEO

(Signed) Erik H. Martin CPA, CMA
Chief Financial Officer

St-Lambert, January 17, 2013