ME RESOURCE CORP.
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2013

DATE AND SUBJECT OF REPORT

The following is management's discussion and analysis ("MD&A") in respect of the results of operations and financial position of ME Resource Corp. (the "Company" or "MEC") for the year ended December 31, 2013. This MD&A should be read in conjunction with the Company's audited financial statements for the same period which are presented in Canadian dollars and prepared in accordance with International Financial Reporting Standards ("IFRS").

Additional information, including the above mentioned financial statements, which contain extensive disclosure of the history and properties of the Company, are available on SEDAR and may be accessed at www.sedar.com

The date of this MD&A is April 30, 2014.

FORWARD LOOKING STATEMENTS

This MD&A contains statements concerning future results, future performance, intentions, objectives, plans and expectations that are, or may be deemed to be, forward-looking statements. These statements concerning possible or assumed future results of operations of the Company are usually preceded by, followed by or include the words 'believes', 'expects', 'anticipates', 'estimates', 'intends', 'plans', 'forecasts', 'may', 'will', or similar expressions, although not all forward-looking statements contain these words. Forward-looking statements are not guarantees of future performance.

These forward-looking statements are based on management's current expectations and involve numerous risks and uncertainties, including, but not limited to, those identified in the Risks & Uncertainties section. Assumptions relating to the foregoing involve judgments with respect to, among other things, future economic, competitive, and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and while many of which underlying the forward-looking statements are reasonable, any of the assumptions could prove inaccurate. These factors should be considered carefully, and readers should not place undue reliance on forward-looking statements. The Company reviews its forward looking statements on an ongoing basis and updates this information when circumstances require it.

The following table outlines certain significant forward-looking statements contained in this MD&A and provides the material assumptions used to develop such forward-looking statements and material risk factors that could cause actual results to differ materially from the forward looking statements.

Forwarding looking statements	***Assumptions***	***Risk factors***
Losses in the last eight quarters are mainly due to operating expenses incurred to support the Company's operations and development of the Company's IP into marketable products.	*Based on the past operations of the Company and management's outlook of the future*	*Change in macro-economic factors and management's decision with respect to the Company's business objectives in the future*

The Company expects the operating expenses will further increase in the next two years in connection with this technology development and expects to finance these expenditures with addition equity/debt financing.	*The projection is made on the Company's current business plan*	*Support from related parties, macro-economic factors, change of interest rate, change of business plan*

COMPANY OVERVIEW & OVERALL PERFORMANCE

The Company was incorporated under the Business Corporation Act (British Columbia) on October 16, 2009. The Company's shares are currently traded on Canadian National Stock Exchange under the symbol MEC.

Principal Business

The Company's principal business was exploration and development of natural resources including, but not limited to mineral, oil and gas properties. The Company disposed all the resources properties in 2011 and is actively reviewing new business opportunities in all areas.

On April 21, 2013, the Company entered into an assignment agreement with Ztek Clean Energy Corp. ("Ztek Clean") for an exclusive license which grants MEC the use of intellectual properties that are key for the development of the micro refinery unit ("MRU100 Unit") which is a product the Company intends to sell to oil and gas drilling and servicing industries. MRU100 Unit will be used for the conversion of wasted natural gas, stranded or flared, into electrical power or liquid fuel.

As a result, the Company has diversified into a company having two lines of business:

- Mineral property exploration and development
- Research and development of the MRU 100 Unit

Research and Development Work.

<u>Assignment agreement with Ztek Clean</u>

On April 21, 2013, the Company entered into an assignment agreement (the "Assignment Agreement") with Ztek Clean, a company owned by a director of the Company. Ztek Clean has a license agreement (the "License Agreement") with ZTEK Corporation ("ZTEK"), whereby ZTEK will grant Ztek Clean a license to use certain of ZTEK's intellectual property to make, use and sell licensed products in certain territories for certain fees to be paid when stipulated milestones are met. Under the Assignment Agreement, Ztek Clean agreed to assign the License Agreement to the Company or any other alternative development that Ztek Clean may produce or source that is acceptable to the Company for 25,000,000 shares of the Company.

On October 5, 2013, Ztek Clean, arranged for a research contract ("Polytechnique Research Contract") between the Company and La Corporation de L'Ecole Polytechnique de Montreal ("Polytechnique") to determine the most economic, emission and energy efficient process to convert a natural gas feedstock to syngas (the "Process") with the purpose of creating micro refinery unit (the MRU100 Unit"). On November 18, 2013 Ztek Clean assigned a consulting agreement ("Gregory Consulting Agreement") between Ztek Clean and Dr. Gregory S. Patience, a director of the Company (the "Consultant"). The Consultant is to provide consulting services in connection with the research and development work of the MRU 100 Unit.

The Company and Ztek Clean mutually agreed that the Polytechnique Research Contract together with the Gregory Consulting Agreement will serve as the alternative development under the Assignment Agreement and the Company decided not to pursue the License Agreement.

For consideration of the Assignment Agreement, the Company issued 25,000,000 common shares to Ztek Clean. The 25,000,000 common shares have been escrowed and will be released to Ztek Clean upon the completion of various milestones. As at December 31, 2013, none of the escrowed shares have been released. As a result, the Company recognized a value of $Nil to the issuance of these 25,000,000 common shares during the year ended December 31, 2013

Commitment in connection with the research work of the MRU 100Unit

Under the Polytechnique Research Contract, the Company will pay Polytechnique an aggregate sum of $260,000 in four installments as follows:

- $65,000 within 15 days of signing the agreement (paid);
- $65,000 upon being invoiced on March 1, 2014 (paid);
- $65,000 upon being invoiced on June 1, 2014; and
- $65,000 upon acceptance of the full report.

Under the Gregory Consulting Agreement, the Company will reimburse all expenses in connection with the research work performed and issue in aggregate 4,000,000 common shares of the Company in installments upon the completion of several technical milestones. 1,300,000 common shares were issued on February 17, 2014 to the Consultant upon the completion of the first two milestones.

Research and development work

During the year ended December 31, 2013, the Company incurred research cost of $80,602 which was solely consulting fees charged by external consultants for their research services rendered and for reimbursement of expenses in connection with the MRU100 Unit. There was no development cost incurred during fiscal 2013.

Joint venture arrangement

On October 1, 2013, the Company entered into a preliminary joint venture arrangement (the "JV") with ABS Electric Group Ltd. ("ABS"), a private company that maintains and constructs electrical and power system for Alberta oil and gas industry. The Company is finalizing its JV agreement with ABS as at the date of this report

Private Placement

On June 4, 2013, the Company completed a private placement (the "Private Placement") to raise gross proceeds of $152,535 for the Company's working capital. As a result, the Company issued 762,675 units whereby each unit consists of one common share and one share purchase warrant of the Company. Each purchase warrant entitles the holder to purchase one common share of the Company at $0.5/share. These warrants will expire on June 4, 2015. The expiry of these warrants may be accelerated to a 30 day term if the 10-day average market closing price of the listed common shares of the Company is equal to or greater than $0.55.

Proposed private placement

On October 2, 2013, the Company proposed a private placement for aggregate proceeds of $250,000 at a price of $0.23/unit. As of the date of this report, this proposed private placement is not completed ("Future Financing"). Each unit is comprised of one common share and one common share purchase warrant. Each share purchase warrant allows its holder to exercise into one common share of the Company at $0.5/share for a period of two years upon closing of this Future Financing. The Company may pay finders' fee of up to 10% of the gross proceeds raised.

As at the date of this report, the Company has received $100,000 subscription in connection with this Future Financing.

SELECTED ANNUAL INFORMATION

The following chart includes selected annual information for the most recent three years.

	2013 $	2012 $	2011 $
Revenues	-	-	-
Net loss	310,032	86,460	194,024
Net loss per share, basic and diluted	0.01	0.00	0.01
Total assets	5,095	22,996	24,741
Total long term liabilities	-	-	-

SELECTED QUARTERLY INFORMATION

The following table summarizes the results of operations for the eight most recent quarters of the Company:

	2013				**2012**			
	Q4	**Q3**	**Q2**	**Q1**	**Q4**	**Q3**	**Q2**	**Q1**
	$	$	$	$	$	$	$	$
Total Assets	5,095	6,258,316	31,437	6,511	22,996	18,273	32,439	50,375
Revenue	-	-	-	-	-	-	-	-
Expenses	168,751	17,974	100,420	22,887	34,312	10,130	13,099	28,919
Loss from continued operations	(168,751)	(17,974)	(100,420)	(22,887)	(34,312)	(10,130)	(13,099)	(28,919)
Loss per share, basic & diluted	(0.10)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)

The Company's businesses are not subject to seasonal variations. Losses in the last eight quarters are mainly due to operating expenses incurred to support the Company's operations and development of the Company's IP into marketable products. Other factors that affect the losses among these eight quarters are losses from the disposition of the Company's resource properties and other assets, and accounting adjustments.

RESULTS OF OPERATIONS

<u>For the year ended December 31, 2013 ("Fiscal 2013")</u>

Loss for Fiscal 2013 was $310,032 (2012 - $86,460) which was a result of having operating expenses totaling $310,032 (2012 - $78,331).

Main components of the operating expenses were $127,221 consulting fees (2012 - $37.362), $80,602 research expenditures (2012 - $nil), and $30,464 office and administration (2012 - $3,067). Expenses in Fiscal 2013 are significantly higher as the Company incurred higher consulting expenses, research expense, and rental expenses (including in the office and administration) when the Company started to perform research work in connection with its MRU100 Unit in Fiscal 2013. The Company expects the operating expenses will further increase in the next two years in connection with this technology development and expects to finance these expenditures with addition equity/debt financing.

As at December 31, 2013, the Company had $160 cash (2012/12/31-$21,759), accounts payable and accrued liabilities of $39,230 (12/31/2012 - $17,756), due to related party of $59,504 (2012/12/31 - $1,064), note payable of $25,282 (12/31/2012 - $65,600), share capital of $,958,330 (2012/12/31 - $851,556), and subscription received of $100,000 (2012 - $nil). The decrease of cash is a combined result of receiving $152,535 from the Private Placement, $100,000 from the Future Financing, which were used to finance the Company's operating expenses (cash used in operating activities was $274,134) during Fiscal 2013.

<u>For the three months ended December 31, 2013 ("2013 Q4" or "Current Quarter")</u>

Loss for the Current Quarter was $168,751 (2012 Q4 - $34,312) which was a result of having $168,751 operating expenses

Main components of the 2013 Q4 operating expenses were $77,457 consulting fees (2012 Q4 - $12,482), $16,583 professional fees (2012 Q4 - $4,800), and $62,120 research expenditures (2012 Q4 - $Nil). Expenses in 2013 Q4 are higher as the Company increased its business activities in 2013 Q4 for conducting research work in connecton with the MRU100 Unit.

LIQUIDITY & CAPITAL RESOURCES

During Fiscal 2013, the Company did not have cash inflow/outflow from investing activities. Cash inflow from financing activities was $252,535 which was a combined result of receiving $152,535 from the completion of Private Placement and receipt of $100,000 from the Future Financing that is pending to complete in Fiscal 2014, which were partially offset by a $40,318 promissory note repayment.

As at December 31, 2013 the Company had a working capital deficiency of $118,922. In order to eliminate the working capital deficiency and to finance the Company's operating expenses in Fiscal 2014, the Company plans to close the Future Financing and will initiate addition equity financings.

Management will consider different financing options, including, but not limited to, further debt or equity financing, or formation of joint ventures, to secure addition financing to provide adequate capital resource for the Company to meet its long term business objective.

As of the date of this MD&A, the Company does not have commitments for capital expenditures other than those related to the Company's research work which are disclosed in the section " Commitment in connection with the research work of the MRU 100Unit."

OFF BALANCE SHEET ARRANGEMENTS

The Company does not have off balance sheet arrangements.

PROPOSED TRANSACTIONS

Other than the Future Financing, the joint venture arrangement with ABS under negotiation, the Company does not have proposed transactions that may have material impact on the Company.

TRANSACTIONS WITH RELATED PARTIES

Commencing January 2013, the Company entered into a rental agreement with an entity controlled by the spouse of the Company's CEO at monthly rent of $1,250. This rental agreement can be terminated by a 30-day notice. The office rent charged during the year ended December 31, 2013 was $15,000 (2012 - $Nil).

During the year ended December 31, 2013, the Company was charged of $72,000 by a director (Gurdeep Johal) for his services rendered (2012 - $16,962); $15,064 research consulting fees was charged by a director (Dr. Gregory Patience) for services rendered and expenses reimbursement (2012 - $Nil).

As at December 31, 2013, due to related parties was $59,504 (2012/12/31 - $1,064). Breakdown is as follows:

- $Nil (2012-$1,064) (consulting) payable to a company controlled by the Company's CEO,
- $43,300 (2012 - $Nil) (consulting) payable to Gurdeep Johal (Director),
- $2,992 (2012-$Nil) (consulting) payable to Dr. Gregory Patience (Director),
- $13,212 (2012 - $Nil) (office rent) payable to a company controlled by the spouse of the CEO.

Due to related parties are unsecured, non-interest bearing and payable on demand.

The Company also owed the spouse of the CEO $25,282 (2012/12/31 - $65,600) for a promissory note issued by the Company. This promissory note is unsecured, due on demand, and bears no interest.

OUTSTANDING SHARE DATA

As of the date of this MD&A, the Company does not have any outstanding stock options, has 53,096,047 common shares and 1,312,675 share purchase warrants outstanding. Each share purchase warrant is convertible to the Company's common share on a one-to-one basis. More details of the Company's common shares, share purchase warrants are disclosed in the Note 5 to the audited financial statements for the year ended December 31, 2013.

SIGNIFICANT ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION

Refer to the Note 3 to the audited financial statements for the year ended December 31, 2013.

FINANCIAL INSTRUMENT RISK EXPOSURE AND RISK MANAGEMENT

The Company's financial instruments have not significantly changed since its recent year ended December 31, 2012. Details of the Company's financial instruments and related risk management policies are disclosed in the Notes 3 and 10 to the Company's audited annual financial statements for the year ended December 31, 2013.

RISKS AND UNCERTAININITIES

Capitalization Risk

It is anticipated that the Company will require additional capital to fully execute its long-term business objectives. There can be no assurance that it will be able to obtain any capital in the future or that attempts to obtain capital in the future will result in terms beneficial to existing investors.

Dilution to the Existing Shareholders

The Company has no other capital resources other than the ability to use its common stock to raise additional capital. The issuance of additional equity securities by the Company could result in a significant dilution in the equity interests of existing shareholders.

Management Risk

The Company's success will largely depend on the capability of its management; management has limited experience in managing the growth of a developing business.

Reliance on Management's Expertise

The Company strongly depends on the business acumen and expertise of its management team and there is little possibility that this dependence will decrease in the near term. The loss of the services of any member of the team could have a material adverse effect on the Company. The Company does not have any key person insurance in place for management.

Profitability Risk

Although the Company will work to become profitable, there can be no assurance that factors beyond its control, such as, but not limited to, successful development of its technology into a commercial viable products to the oil and gas industry. No assurances can be provided that the Company can do so.

Key Personnel Risk

The Company is highly dependent upon the services from external consultants. Loss of these external consultants would adversely affect the achievement of the Company's objectives.

Technology Risks

The Company's success in penetrating the desired market segments will also depend upon its ability to advance the technology and functionality of its products. It is also foreseeable that other firms will desire to enter the sector. The Company can provide no assurances that these other firms won't have superior technology or functionality.

Readers are cautioned that the foregoing lists of risks, uncertainties and other factors are not exhaustive.

CONTROLS AND PROCEDURES

Management of the Company is responsible for establishing and maintaining appropriate information systems, procedures and controls to ensure that information used internally and disclosed externally is complete, reliable and timely. Management is also responsible for establishing adequate internal controls over financial reporting to provide sufficient knowledge to support the representations made in this MD&A and the Company's financial statements.

The management of the Company has filed the Venture Issuer Basic Certificate with the filings on SEDAR at www.sedar.com. In contrast to the certificate required for non-venture issuers under National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the venture issuer basic certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency, and timeliness of interim and annual filings and other reports provided under securities legislation.

OFFICERS AND DIRECTORS

Navchand Jagpal	President, CEO & Director
Jamie Lewin	CFO
Thomas Kennedy	Director
Gurdeep Johal	Director
Dr. Gregory Patience	Director
Dr. Michael Raymont	Director
Parminder Singh	Director

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